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ABSTRACT

This analysis of unemployment in Chicago (Illinois) focuses on geography as an aspect of employment accessibility. Part 1 analyzes the labor skills and employment needs of inner city unemployed using information from applications to the Chicago Urban League's Department of Employment, Counseling, and Training. The demographic characteristics of the unemployed in 1965-66 are compared to those of the unemployed in 1988-89. Current applicants are young and relatively well-educated when compared to those of 1965. They have work experience, but it is often in jobs of short duration. Those who are highly educated seem to have less access to professional positions than did similarly educated applicants 25 years ago, and comparably educated male applicants are more likely to work in unskilled jobs than were applicants 25 years ago. Manufacturing firms are more likely to provide long-term employment but the job base in the area is shifting to services, where jobs are generally short-term. Part 2 identified potential employment prospects in close proximity to Chicago inner-city unemployed by analyzing zones that can be reached by public transportation. The current public transportation system is poorly designed to meet the needs of the urban poor. Appendixes compare types of jobs and list the ZIP codes of two Chicago zones. (Contains 17 maps and 46 tables.) (SLD)



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Chicago Urban League

Department of Research and Planning

THE JOB SEEKERS

A Spatial Analysis of the Employment Prospects Available to the Inner-City Unemployed

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Executive Summary

Part I: A Profile of the Inner-City Unemployed

Over the past several decades, the Chicago area economy has undergone substantial change as a result of deindustrialization and the suburbanization of employment. The recession of the early 1980s was devastating to large segments of the Chicago metropolitan area work force, and in particular to African-American and Latino workers. In 1983 the black unemployment rate rose to 19.5 percent, more than twice the rate for whites. Even during the recovery that followed, minority workers found themselves out of work in disproportionately high numbers. By and large, inner-city residents, many of whom are African American and Latino, have not been part of the economic recovery and face dim economic futures. As the recession of the early 1990s deepens, it is expected that increasing numbers of inner city residents will find themselves out of work.

Part I of this report analyzes the labor skills and employment needs of the inner city unemployed using information from applications to the Chicago Urban League's Department of Employment, Counseling and Training. The demographic characteristics of the unemployed in 1965-66 are compared to the characteristics of the unemployed in 1988-89. The profile of the unemployed has changed considerably following two decades of economic transformation.

- 1. Chicago Urban League applicants are young and relatively well-educated, at least as measured by years of schooling completed. A high proportion are high school graduates, and the share of college graduates is virtually the same as the share of black college graduates nationally.
- 2. Applicants have work experience, but jobs are often of short duration. For women, average job tenure increases with educational attainment. For men, this is true only for college graduates.
- 3. Applicants who are highly educated seem to have less access to professional positions than did similarly educated applicants 25 years ago. Comparably educated male applicants are more likely to work in unskilled jobs than were applicants 25 years ago.
- 4. The most recent work experience of unemployed applicants is concentrated in services, retail trade and manufacturing industry sectors.
- 5. Manufacturing firms are more likely to provide long-term employment than other private sector companies. However, the job base is shifting from manufacturing to services, and jobs held in the service sector are generally short-term.



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Part II: Spatial Distribution of Employment Opportunities

The decentralization of metropolitan area employment has serious ramifications for employing the inner-city unemployed. Now, not only must workers (and the training and placement agencies which assist them) concentrate on matching skills with employers' needs, but they must also contend with overcoming geographic barriers which prevent labor market information from reaching the unemployed and make inter-metropolitan travel costly and time consuming. The public transportation system, which was originally designed to bring city and suburban residents to Chicago's central business district, is poorly suited to meet the transportation needs of inner-city residents seeking job opportunities with firms scattered throughout the suburban ring.

Part II of this report identifies potential employment prospects located within close proximity to the inner-city unemployed. Zones which can be reached by residents of two Chicago neighborhoods, Grand Boulevard and West Town, using the present public transportation system are determined. Industries located within those areas which match the industry sectors in which the unemployed applicants to the Chicago Urban League were last employed are then examined.

- 1. Residents of Grand Boulevard and West Town cannot reach the suburban ring in one hour using the public transportation system. Jobs located in regions of the City of Chicago are more geographically accessible to these residents.
- 2. Jobs which are located near the Grand Boulevard and West Town communities are disproportionately concentrated in the central region which contains the central business district. This holds true regardless of industry sector.
- 3. 8.8 percent of employment in the Grand Boulevard zone is in industries which are classified as contracting, and 90.8 percent is in industries classified as expanding.
- 4. 7.6 percent of employment in the West Town zone is in industries which are classified as contracting, and 91.7 percent is in industries classified as expanding.
- 5. There exist a number of industries classified as expanding with significant employment levels located near the Grand Boulevard and West Town neighborhoods. These industries could be targeted by job training and placement assistance providers trying to identify job opportunities in the service, retail trade and manufacturing industry sectors.



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INTRODUCTION

During the depressed economic conditions of the early 1980s, levels of unemployment reached heights not experienced since the Great Depression of the 1930s. The 1981-82 recession bottomed out toward the end of 1982. The official unemployment rate of 9.7 percent in 1982 dipped slightly to 9.6 percent in 1983. Unemployment was not evenly distributed throughout the population. African Americans were more likely to be unemployed than whites. In 1983 the black unemployment rate was 19.5 percent, or approximately 2.3 times the white rate of 8.4 percent. Seven years of economic growth followed and unemployment declined, though blacks were still more than twice as likely as whites to be among the unemployed. The overall rate of unemployment fell to 5.3 percent in 1989, a rate which, according to the *Economic Report of the President*, "may not be far above the nonaccelerating inflation rate of unemployment." In that year, however, the unemployment rate for blacks equalled 11.4 percent, more than 2.5 times the white unemployment rate of 4.5 percent.²

Over the past several decades, the Chicago area economy has undergone substantial change as the metropolitan area experienced widespread shifts in employment and business location. The trends have been well documented: the decentralization of the metropolitan labor force, shifts in employment from manufacturing to service industries, and an unequal distribution of employment growth and decline. These changes in the Chicago labor market mirrored trends in the economy as a whole. But Chicagoans were substantially more likely to be out of work and racial differentials in joblessness were larger in Chicago than in the country as a whole. The unemployment rate in Chicago peaked in 1982 at 17.2 percent. In that year, the black unemployment rate was 26.8 percent, approximately 2.3 times the white unemployment rate of 11.8 percent. By 1988, the city-wide unemployment rate fell to 11.4 percent. However, the black unemployment rate of 19.5 percent was now 2.8 times the white unemployment rate of 6.9 percent. Unemployment was concentrated in inner-city areas, particularly on the South and West Sides of town where unemployment rates "rank with the most deeply depressed urban areas of the nation."

Discussions of inner-city joblessness and poverty inevitably turn to the issue of job accessibility to explain, at least in part, the difficulties encountered by the inner-city unemployed. Access to employment can be thought of in a number of ways:



¹Economic Report of the President, Washington, D.C.: U.S. Government Printing Office, 1990. The nonaccelerating rate of unemployment is current economic jargon for "full employment."

²*Ibid.*, p. 338.

³Mayor's Office of Employment and Training, Labor Force Trends in Chicago, Chicago: Mayor's Office of Employment and Training, 1989.

- ▶ human capital -- the skill levels achieved by prospective workers
- discrimination -- whether potential employees are unfairly denied employment on the basis of race/ethnicity, gender, physical handicap, or other such characteristics
- ▶ labor market information -- knowledge of job openings
- geographical accessibility -- the spatial distance between prospective workers and employment

This report focuses on the fourth element of employment accessibility -- geography -- and its relationship to employment opportunity. Geography defines a context within which changes in the local economy occur. For this reason, geography cannot be easily separated from other forms of accessibility. Barriers to mobility hamper efforts by the unemployed to find jobs for which they are qualified. In addition, in metropolitan areas, such as Chicago, with high degrees of residential segregation, firms located in nearly all white suburbs continue to practice discriminatory hiring. Finally, lack of mobility on the part of inner-city residents prevents accurate and timely labor market information from reaching potential workers. Spatial barriers to mobility perpetuate patterns of uneven development which result in labor shortages in some areas and surpluses in others. This presents problems both for firms seeking employees and for the unemployed seeking work.

Over the years, some of Chicago's unemployed turned to the Chicago Urban League for employment training and placement assistance. Part I of this report analyzes the skills and needs of the inner-city unemployed, using information from applications to the Chicago Urban League's Department of Employment, Counseling, and Training. Applicants in 1988-89 are compared to the applicant pool in 1965-66, a time when the Chicago labor market was very tight. In 1965 the white unemployment rate was approximately two percent, while the nonwhite unemployment rate was between six and seven percent. Such a comparison makes it possible to both gauge the changes occurring in the Chicago labor market and the changing role likely played by the employment counseling, training and placement agencies on Chicago's South and West Sides.

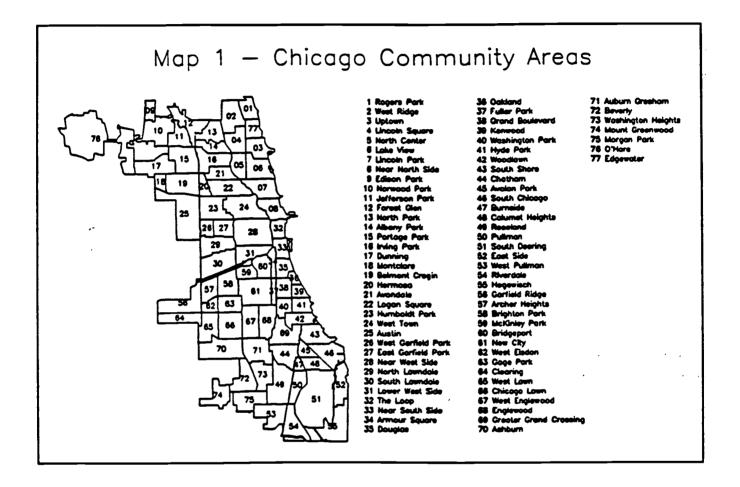
Part II of this report assesses potential employment prospects located in close proximity to



⁴Discrimination in the Chicago area labor market, particularly on the basis of race and ethnicity, has been well documented. See, Nikolas C. Theodore and D. Garth Taylor, *The Geography of Opportunity: The Status of African Americans in the Chicago Area Economy*, Chicago: Chicago Urban League, 1990; and Joleen Kirschenman and Kathryn M. Neckerman, "'We'd Love to Hire Them, But, ...': The Meaning of Race for Employers," Department of Sociology, University of Chicago, July, 1990.

⁵H. M. Baron and B. Hymer, "The Negro Worker in the Chicago Labor Market: A Case Study of De Facto Segregation," in J. Jacobson, ed., *The Negro and the American Labor Movement*, Garden City, N.Y.: Anchor Books, Doubleday, 1968.

the residents of two Chicago neighborhoods (Map 1), Grand Boulevard (community area 38) and West Town (community area 24). Industries located in areas which may be reached within one hour using the public transportation system are identified and evaluated with regard to industry expansion and contraction. Industries that match the industry sectors in which the unemployed last worked, are found to be undergoing expansion, and therefore may offer employment opportunities, are presented as a resource for job training and placement agencies assisting the unemployed in the Grand Boulevard and West Town communities.





Part I

A PROFILE OF THE INNER-CITY UNEMPLOYED

THE CHANGING APPLICANT POOL OF THE CHICAGO URBAN LEAGUE'S DEPARTMENT OF EMPLOYMENT, COUNSELING AND TRAINING

Each year thousands of people visit the Chicago Urban League for help in finding jobs. This study is based on the personal and work records of a sample of 1,608 applicants to the Chicago Urban League's Department of Employment, Counseling, and Training in 1988-89, and a sample of 2,817 applicants to the Chicago Urban League's Employment and Guidance Division in 1965-66. Virtually all of the applicants were African American.

Men outnumbered women in both samples. In 1988-89, 55.5 percent of the sample were men (892) and 44.5 percent were women (716). This mirrors the gender distribution of the black unemployed in Chicago. In 1988, 54 percent of the black unemployed were men, while 46 percent were women. In 1965-66, 51.9 percent of the sample were men (1,461) and 48.1 percent were women (1,356).

Age

Urban League applicants are young. Table 1 shows the age distribution of the members of the samples. In both periods, approximately 9 out of 10 applicants were less than 41 years of age. Recent applicants were older than earlier ones. In 1965-66, nearly half of the men (48.6 percent) and more than half of the women (61.8 percent) were less than 26 years of age. In 1988-89 this age group accounted for 43.0 percent of the men and 46.2 percent of the women. Relatively fewer teenagers sought out the help of the Urban League in 1988-89, than in 1965-66. In the earlier period, 25.7 percent of the sample were teenagers, while in the later period, only 16.0 percent were in this age category. The share of teenagers in the 1988-89 sample mirrors the share of black youth in total black unemployment in Chicago. In 1988, 14 percent of black unemployed were youth.⁷



⁶In the earlier period, employment applications were taken at the then South Side (4500 S. Michigan) and West Side (2400 W. Madison) offices of the Chicago Urban League. In the later period, applications were taken at the South Side location.

⁷Mayor's Office of Employment and Training, "Labor Force Trends in Chicago."

Table 1

Age Distribution of Applicants*

•		1965-66			1988-89	
Age Group	<u>Men</u>	Women	<u>Total</u>	<u>Men</u>	<u>Women</u>	<u>Total</u>
16-20 21-25 26-30 31-35 36-40 41+	21.6% 27.0% 21.6% 13.3 8.7% 7.8%	30.1% 31.4% 13.5% 9.9% 7.6% 7.5%	25.7% 29.1% 17.7% 11.6% 8.2% 7.7%	14.5% 28.5% 23.1% 14.2% 9.9% 9.9%	17.9% 28.3% 21.7% 14.0% 6.6% 11.6%	16.0% 28.4% 22.5% 14.1% 8.4% 10.6%
Total	100.0%	100.0%	100.0%	100.1%	100.1%	100.0%

^{*}The percentages may differ from 100.0% due to rounding.

Education

A high proportion of Urban League applicants have completed a minimum of four years of high school. Table 2 shows the educational levels of sample applicants. Over the past three decades, black educational levels nationally have increased. Thus, it is not entirely surprising that high school dropouts comprised a larger share of the 1965-66 sample than the 1988-89 sample. In 1988-89, 22.9 percent of the men and 20.0 percent of the women failed to complete high school, in contrast to 26.0 percent of the men and 26.4 percent of the women in 1965-66. And in both periods, the educational levels of the youngest age group -- 16 to 20 -- is understated. It is likely that some youth applied to the Urban League for help in securing summer jobs and returned to school in the autumn.

The decline in the share of female high school dropouts occurred in all age categories, with the exception of teenagers. For example, while 39.6 percent of those aged 41 and above did not complete high school in 1965-66, only 19.3 percent did not do so in 1988-89. The same did not hold for men. The share of male high school dropouts declined sharply in the older age groups. But men between the ages of 21 to 35 were somewhat more likely to be high school dropouts in 1988-89 than in 1965-66.



⁸J. P. Smith and F. R. Welch, "Black Economic Progress after Myrdal," *Journal of Economic Literature*, 27, (June, 1989).

Contrary to the national trend in overall black educational attainment, a much larger proportion of the male applicants (22.8 percent) were college graduates in 1965-66 than in 1988-89 (8.6 percent). This held true for all age groups. However, this differential did not hold for women. The share of female college graduates was virtually the same in both periods.

Table 2

Educational Attainment of Applicants*

<u>1965-66</u>								
	Men				Wome	n		
Age	~ 12	10 15	16 1	Total	<i>-</i> 10	10 15	16 :	Total
Group	<u><12</u>	<u>12-15</u>	<u> 16+</u>	<u>Total</u>	<u><12</u>	<u>12-15</u>	<u>16+</u>	<u>Total</u>
16-20	50.8%	48.9%	0.3%	100.0%	40.4%	58.9%	0.7%	100.0%
21-25	16.5%	64.2%	19.3%	100.0%	13.7%	69.0%	17.3%	100.0%
26-30	14.7%	48.9%	36.4%	100.0%	18.1%	62.7%	19.2%	100.0%
31-35	16.6%	45.6%	37.8%	100.0%	21.8%	62.4%	15.8%	100.0%
36-40	25.2%	51.2%	23.6%	100.0%	39.6%	45.5%	14.9%	100.0%
41+	38.6%	28.9%	32.5%	100.0%	26.4%	61.3%	12.2%	100.0%
Total	26.0%	51.2%	22.8%	100.0%	26.4%	61.3%	12.2%	99.9%
<u>1988-89</u>								
	Men				Wome	n		
Age								
Group	<u><12</u>	<u>12-15</u>	<u> 16+</u>	<u>Total</u>	<u><12</u>	<u>12-15</u>	<u> 16+</u>	<u>Total</u>
16-20	46.1%	53.1%	0.8%	100.0%	48.4%	51.6%	0.0%	100.0%
21-25	17.5%	78.9%	3.6%	100.0%	11.9%	76.2%	11.9%	100.0%
26-30	18.4%	69.0%	12.6%	100.0%	15.5%	72.3%	12.2%	100.0%
31-35	18.9%	70.0%	11.1%	100.0%	9.0%	75.0%	16.0%	100.0%
36-40	17.0%	68.3%	14.7%	100.0%	14.9%	63.9%	21.2%	100.0%
41+	26.4%	59.8%	13.8%	100.0%	19.3%	65.0%	15.7%	100.0%

^{*}The percentages may differ from 100.0% due to rounding.

26.0% 51.2%



Total

22.8% 100.0%

26.4% 61.3%

11.5%

100.0%

Nationally in the mid-1960s, three percent of the African-American population over the age of 25 had completed college. At that time the applicants in the Urban League sample were significantly more likely to be college graduates than the black population as a whole. This was no longer the case by the late 1980s. In 1988, 15 percent of blacks aged 25 to 64 were college graduates, approximately the same percentage as in the 1988-89 sample. 10

In 1965-66 men were substantially more likely to be college graduates than were women. But in 1988-89 this pattern was reversed. Somewhat more than 11 percent of the women in the sample were college graduates, while slightly more than 8 percent of the men had completed college. It is apparent that the more highly educated men are no longer seeking or needing the job training and placement assistance provided by the Urban League.¹¹

Occupation of Most Recent Job

In addition to differing in educational attainment, the two samples differ on most recent occupation held. Table 3 shows the most recent occupation held by Urban League applicants in 1965-66, while Table 4 does the same for applicants in 1988-89. In 1965-66, somewhat more than 12 percent of the men and 15 percent of the women had no previous employment experience. Reflecting the occupational segregation of women, the female members of the sample were concentrated in clerical and sales positions. Such jobs accounted for over 60 percent of the female sample, but only 37 percent of the male sample. Men were much more likely to be professional, technical, and managerial workers than women as 22.1 percent of the men, but only 12.5 percent of the women held these positions. In addition, men were considerably more likely to be skilled, semi-skilled, or unskilled workers.



⁹B. Hymer, The Chicago Urban League as a Labor Market Intermediary, Chicago: Chicago Urban League, no date.

¹⁰U.S. Department of Labor, Bureau of Labor Statistics, "News Release: Educational Levels of U.S. Labor Force Continues to Rise," Washington, D.C.: U.S. Government Printing Office, August 29, 1988.

¹¹Edwin C. Berry, "The Menace of Unemployment: Jobs, Poverty and Race," *Negro Digest*, September, 1964. Berry discusses the problems faced by black professional, technical and clerical workers in gaining employment in downtown area businesses in the early 1960s. Well-trained, skilled young blacks were confined to employment in federal, state and local government or in neighborhood businesses located in predominantly black areas. In 1963 the Chicago Urban League entered into an agreement with five major Loop banks to refer appropriate candidates for employment at all occupational levels.

Table 3

Most Recent Occupation of Applicants*

1965-66

Occupation	<u>Men</u>	Women
Professional, technical, & managerial	22.1%	12.5%
Clerical and sales	37.1%	61.1%
Service	12.3%	11.8%
Skilled and semi-skilled	14.9%	7.3%
Unskilled	13.5%	7.2%
Totals	99.9%	99.9%

^{*}The percentages may differ from 100.0% due to rounding.

Table 4

Most Recent Occupation of Applicants*

1988-89

Occupation	<u>Men</u>	Women
Managerial	3.8%	2.3%
Professional	2.7%	3.2%
Technical	2.4%	2.7%
Sales	3.2%	5.3%
Administrative support, including clerical	11.2%	21.5%
Service	38.6%	53.9%
Precision, craft, & repair	7.8%	1.4%
Machine operator	4.1%	2.3%
Transportation & moving	3.5%	0.3%
Handler & laborer	22.5%	7.1%
Farm, forestry, & fishing	0.1%	0.0%
Totals	99.9%	100.0%

^{*}The percentages may differ from 100% due to rounding.



A smaller share of the 1988-89 sample did not hold a previous job. Only 4.5 percent of the men and 6.4 percent of the women had never been employed. Those with recent employment experience were concentrated in service jobs. Fifty-four percent of the women and 38.6 percent of the men had recently held or were holding such positions. The next largest concentration of men (22.5 percent) were found in handler and laborer positions. The rest of the men were scattered throughout the occupational structure, with relatively few (6.5 percent) having had recent work experience in executive and professional jobs. In addition, only 5.5 percent of the women had such jobs recently. Rather, outside of service work, administrative support positions also accounted for an important share (21.5 percent) of the most recent occupation of women.

In order to compare the employment experiences of the two samples, the occupational coding scheme utilized for the 1988-89 sample was transformed into the classificatory scheme utilized for the 1965-66 sample. Table 5 shows the most recent job held by members of both samples. The men in the 1965-66 period had more recent experience in professional occupations than the men in the 1988-89 period. While in the earlier period, 22.1 percent of the men had recently held such positions, only 8.9 percent of the men in 1988-89 had done so. On the other hand, in 1988-89 men were more likely to be found in unskilled jobs. In 1988-89, 22.5 percent of the men had recent employment experience as unskilled workers in contrast to 13.5 percent of the men in 1965-66.

Table 5

Most Recent Occupation of Applicants*

		Men	Wome	n
Occupation	<u>1966</u>	1989	<u>1966</u>	<u>1989</u>
Professional, technical & managerial	22.1%	8.9%	12.5%	8.2%
Clerical & sales	37.1%	14.4%	61.1%	26.8%
Service	12.3%	38.6%	11.8%	53.9%
Skilled & semi-skilled	14.9%	15.5%	7.3%	4.0%
Unskilled	13.5%	22.5%	7.2%	7.1%
Totals	99.9%	99.9%	99.9%	100.1%

^{*}The percentages may differ from 100% due to rounding.

Though the differences are not as stark, the women in the earlier sample were also more likely to have held a recent professional position than the women in the later period. In 1965-66, 12.5 percent of the women had recently held such a job in contrast to 8.2 percent of the women in 1988-89. The main shifts in the occupational distribution center on clerical, sales and service positions. While 61.1 percent of the women in 1965-66 had recently held



clerical or sales jobs, only 26.8 percent of the women in 1988-89 had done so. Rather, women in the later sample were much more likely to have been in service positions (53.9 percent) than women in the earlier sample (11.8 percent).

To determine the extent to which sample differences in recent occupational attainment reflect differences in educational attainment, Tables 6 and 7 show the most recent job held by years of schooling in 1965-66 and 1988-89, for men and women respectively. Had the overall differences in employment been purely due to differential educational attainment, the proportion of the relevant population in each particular occupation/ schooling cell would be virtually the same in each time period. This is generally not the case.

Table 6

Most Recent Occupation by Educational Attainment of Male Applicants*

1965-66					
	Educationa	l Attainment			
Occupation	<u><12</u>	<u>12</u>	<u>13-15</u>	<u>16+</u>	
Professional, technical, & managerial	4.7%	12.0%	19.7%	60.7%	
Clerical & sales	31.3%	43.1%	45.9%	25.4%	
Service	20.6%	8.9%	9.5%	6.0%	
Skilled & semi-skilled	21.5%	20.4%	14.3%	3.5%	
Unskilled	22.0%	15.6%	10.5%	4.5%	
Total	100.1%	100.0%	99.9%	100.1%	
	198	8-89			
	Educationa	al Attainment			
Occupation	<u><12</u>	<u>12</u>	<u>13-15</u>	<u>16+</u>	
Professional, technical, & managerial	0.6%	3.4%	11.6%	44.0%	
Clerical & sales	11.5%	10.1%	19.3%	26.7%	
Service	46.1%	43.5%	32.7%	17.3%	
Skilled & semi-skilled	17.0%	15.8%	16.6%	9.3%	
Unskilled	24.8%	27.2%	19.7%	2.7%	
Total	100.0%	100.0%	99.9%	100.0%	

^{*}Percentages may differ from 100.0% due to rounding. The procedure utilized to transform the occupational codes used for the 1988-89 sample to the occupational codes used for the 1965-66 sample is presented in Appendix 1.



Table 7

Most Recent Occupation by Educational Attainment of Female Applicants*

1965-66 Educational Attainment < 12 13-15 **Occupation** 12 16+ 4.8% Professional, technical, 8.0% 10.7% 62.0% & managerial 69.6% 75.2% Clerical & sales 40.0% 30.4% 5.9% Service 22.9% 10.8% 5.1% 15.4% 8.0% 3.6% 1.3% Skilled & semi-skilled 13.7% 4.6% 1.3% 6.8% Unskilled Total 100.0% 100.0% 100.0% 100.1% 1988-89 Educational Attainment Occupation < 12 12 13-15 <u> 16+</u> 5.5% Professional, technical 0.0% 4.1% 40.5% & managerial Clerical & sales 17.9% 24.4% 32.7% 31.6% 69.2% 59.8% 50.5% 24.1% Service Skilled & semi-skilled 3.5% 4.4% 5.0% 0.0% Unskilled 9.4% 7.3% 6.4% 3.8% 100.1% Total 100.0% 100.0% 100.0%

Rather, recent male applicants who were highly educated appear to have less access to generally preferred professional positions than similarly educated male applicants 25 years ago. In 1965-66, the most recent job of 60.7 percent of male college graduates was a professional position, while the same was true of only 44.0 percent of male college graduates in 1988-89. Similarly, of those who attended some college but did not graduate, 19.7 percent of the men in 1965-66 had recent professional experience while only 11.6 percent of the men in 1988-89 had such a job recently. The same pattern held for male high school graduates and high school dropouts.



^{*}Percentages may differ from 100.0% due to rounding. The procedure utilized to transform the occupational codes used for the 1988-89 sample to the occupational codes used for the 1965-66 sample is presented in Appendix 1.

Furthermore, while comparably educated males were less likely to have been professional workers in 1988-89, they were in most instances more likely to have held an unskilled job as their most recent employment. In 1988-89, 27.2 percent of male high school graduates had been unskilled workers in contrast to 15.6 percent in 1965-66. In addition, in 1988-89 19.7 percent of male applicants who had attended some college but did not graduate had been holding unskilled positions, in contrast to 10.5 percent in 1965-66.

The recent relative lack of access to professional positions also held for women. In 1965-66, 62 percent of the female college graduates had been recently employed in professional jobs in contrast to 40.5 percent in 1988-89. A similar though much smaller relative differential held for female high school dropouts, high school graduates, and those who had completed 13 to 15 years of schooling.

In 1988-89, women college graduates were much more likely to have been found in service positions (24.1 percent) than comparably educated women in the earlier sample (5.1 percent). The increase in the likelihood of holding service jobs was even greater for lesser educated women. For example, while only 5.9 percent of women who attended but did not graduate from college in 1965-66 were found in service jobs, 50.5 percent of their counterparts in 1988-89 had recently held such positions. On the other hand, with the exception of college graduates, similarly educated women were less likely to have recently been clerical workers in 1988-89 than in 1965-66. High school dropouts in the earlier period were much more likely to be found in skilled, semi-skilled, and unskilled positions than similarly educated women in 1988-89.

The most recently held job provides information about the labor market experience of Urban League applicants. Since most of the recent applicants were no longer working, it is also useful to learn whether these applicants represent a cross-section of the black unemployed in Chicago. Table 8 provides data on the occupation of the last job held by the black unemployed in Chicago. While the 1988-89 sample is much less oriented toward professional positions than the 1965-66 sample, the share of professional, managerial, and technical applicants is virtually identical to the share of black unemployment in Chicago accounted for by professional, managerial and technical workers. Professional, managers and technical workers accounted for 8.9 percent of male applicants and 8.4 percent of unemployed black men, and 8.2 percent of female applicants and 8.0 percent of unemployed black women.



¹²The same table was not created for 1965-66. Hymer (pp. 64-68) compares the occupational distribution of employed blacks in the Chicago SMSA with the occupational distribution of Chicago Urban League applicants. However, it is unclear what information is provided by this analysis since the proper comparison is between League applicants and the black unemployed.

Table 8

Most Recent Occupation of Experienced Black Unemployed in Chicago, 1988

Occupation	<u>Men</u>	<u>Women</u>
Managerial	2.2%	4.3%
Professional	4.3%	2.7%
Technical	1.9%	1.0%
Sales	2.7%	19.0%
Administrative support, including clerical	13.8%	28.7%
Service	30.4%	23.4%
Precision, craft, & repair	12.0%	7.1%
Machine operator	7.7%	7.2%
Transportation & moving	6.5%	0.2%
Handler & laborer	17.2%	5.3%
Farm, forestry, & fishing	1.0%	1.2%
Total	99.7%	100.1%

^{*}The percentages may differ from 100.0% due to rounding.

Recent applicants were underrepresented in skilled and semi-skilled jobs. Only 15.4 percent of the men and 4.0 percent of the women had worked in precision, craft, repair, machine operator, transportation, moving, farm, and forestry and fishing positions. This is in contrast to 26.2 percent of unemployed black men and 14.3 percent of unemployed black women.

Male applicants were somewhat overrepresented in handler and laborer jobs and service positions. For example, 22.5 percent of male applicants were handlers and laborers, compared to 17.2 percent of unemployed black men, and 38.6 percent of male applicants were service workers compared to 30.4 percent of unemployed black men.

Women applicants were substantially more likely to be service workers and less likely to be clerical workers than unemployed black women as a whole. While 53.9 percent of women applicants were service workers, only 23.4 percent of unemployed black women had recently held such jobs. On the other hand, 28.7 percent of unemployed black women had been clerical workers, in contrast with 21.5 percent of women applicants.

Industry of Most Recent Job

A second way to characterize a job is by the industry where it is found. Table 9 shows the industry of the most recent job for members of both samples. In 1965-66, men primarily held jobs in manufacturing (30.1 percent), service (22.2 percent), trade (17.5 percent), and



government (14.5 percent) industry sectors. These four industry sectors also accounted for the vast majority of recent jobs held by women. But women were more likely to have recently held jobs in trade (31.7 percent) and services (31.5 percent) than men, and less likely to have recently had a job in manufacturing (16.5 percent).

Table 9

Most Recent Industry of Applicants*

	Men		Women	
Industry	<u>1966</u>	<u>1989</u>	<u>1966</u>	<u>1989</u>
Agriculture Construction Manufacturing Transportation, Comm., and Utilities FIRE Government Total	0.3% 2.9% 30.1% 7.5% 5.0% 14.5% 100.0%	0.0% 6.4% 13.7% 8.1% 3.5% 7.5% 99.9%	0.2% 0.3% 16.5% 2.1% 4.5% 13.1% 99.9%	0.0% 0.0% 8.0% 4.2% 5.6% 7.1% 99.9%

^{*}The percentages may differ from 100.0% due to rounding.

The industrial distribution of employment shifts by the late 1980s. The share of male employment accounted for by manufacturing plummets by more than 16 percentage points to 13.7 percent while the female share falls by more than 8 percentage points to 8.0 percent. Also, there is a relative decline in the importance of the government sector. There was a rapid relative rise in employment accounted for by service industries. In 1988-89, 42.1 percent of the male applicants and 52.7 percent of the female applicants had their most recent job in a service industry. Though the relative increase was small, men in the more recent sample were more likely to have worked in the construction industry (6.4 percent) than men in the earlier sample (2.9 percent).¹³



¹³For a discussion of black access to construction jobs see Wendy Wintermute, *Investing in Construction*, Chicago: Chicago Urban League, 1986.

In 1988-89, Urban League applicants were more heavily concentrated in the service industry than were the black unemployed in Chicago. Table 10 provides data on the industry of the last job held by the black unemployed in Chicago. Less than 20 percent of unemployed black men in Chicago had formerly held a job in the service industry, in contrast to 42.0 percent of male applicants. Similarly, 34.6 percent of unemployed black women lost a service industry job, while 52.5 percent of female applicants had recently worked in the service industry. Women applicants were underrepresented in all of the other industry groupings, compared with the unemployed black women. Male applicants were underrepresented in all industries, with the exception of construction, and finance, insurance, and real estate. Particularly striking is the fact that while 32.1 percent of unemployed black men had worked in wholesale and retail trade, only 18.5 percent of male applicants came from this sector.

Table 10

Most Recent Industry of Experienced Black Unemployed in Chicago, 1988*

Industry	<u>Men</u>	Women
Agriculture	0.0%	0.0%
Construction	3.9%	0.0%
Manufacturing	16.0%	12.5%
Transportation, Comm., and Utilities	8.8%	4.6%
Trade	32.1%	26.0%
FIRE	2.5%	7.7%
Service	19.7%	34.6%
Government	16.9%	14.6%
Total	99.9%	100.0%

^{*}The percentages may differ from 100.0% due to rounding.

Number of Previous Jobs

Urban League applicants have held a considerable number of jobs. Table 11 shows the number of previous jobs held by applicants as well as previous work experience. The maximum number of jobs an individual could report was four. In general, applicants in 1988-89 had more previous jobs than the earlier applicants. Roughly two-thirds of the people in 1988-89 -- 63.3 percent of the men and 64.1 percent of the women -- had held three or more previous jobs. This is in contrast with roughly half of those in 1965-66 -- 55.5 percent of the men and 46.6 percent of the women.



¹⁴The same table was not created for 1965-66. Hymer (pp. 87-91) compares the industrial distribution of employed blacks in the Chicago SMSA with the industrial distribution of League applicants.

Table 11

Number of Previous Jobs*

	1965-66		1988-89
<u>Men</u>	Women	<u>Men</u>	Women
14.4%	25.6%	17.4%	17.6%
30.3%	27.9%	19.2%	18.3%
30.8%	29.1%	31.1%	26.7%
24.7%	17.5%	32.2%	37.4%
100.2%	100.1%	99.9%	100.0%
	14.4% 30.3% 30.8% 24.7%	Men Women 14.4% 25.6% 30.3% 27.9% 30.8% 29.1% 24.7% 17.5%	Men Women Men 14.4% 25.6% 17.4% 30.3% 27.9% 19.2% 30.8% 29.1% 31.1% 24.7% 17.5% 32.2%

^{*}The percentages may differ from 100.0% due to rounding.

When compared to the earlier period, the more recent applicants were, on average, older and the number of previous jobs held is found to be positively related to age. For example, in 1988-89 while 16 percent of the people were between the ages of 16 to 20, they accounted for approximately half of those without previous work experience. And in 1965-66, the approximately 25 percent of sample members aged 16 to 20 accounted for approximately 40 percent of those who had not yet held a job.

Table 12 shows the number of jobs held by the age of applicants with an employment history. The share of the population having just one job generally declines with age. In the earlier period, 25.7 percent of men aged 16 to 20 had just one job in contrast to 7.0 percent of men aged 30 and above. The only exception to this pattern are women in the later sample. While 36.3 percent of the women aged 16 to 20 and 12.8 percent of those aged 21 to 30 had held just one job, 16.0 percent of women aged 30 and above had a similar employment history.



Table 12

Number of Previous Jobs by Age of Applicants with Work Experience*

1965-66						
	·	Men			Women	
Number of Jobs	<u>16-20</u>	<u>21-30</u>	<u>30+</u>	<u>16-20</u>	<u>21-30</u>	<u>30+</u>
1 2 3 4 Total	25.7% 39.1% 23.2% 12.0% 100%	13.5 % 30.4 % 30.4 % 25.7 % 100 %	7.0% 23.1% 37.2% 32.7% 100%	44.7% 29.2% 20.0% 6.2% 100%	20.5 % 29.5 % 29.5 % 20.5 % 100 %	16.2% 23.1% 37.9% 22.8% 100%
1988-89		Men			Women	
Number						
of Jobs	<u>16-20</u>	<u>21-30</u>	<u>30+</u>	<u>16-20</u>	<u>21-30</u>	<u>30+</u>
1 2 3 4 Total	40.8% 26.5% 22.4% 10.2% 100%	15.0% 21.1% 33.0% 30.9% 100%	13.3% 13.9% 31.3% 41.5% 100%	36.3% 23.6% 26.5% 13.7% 100%	12.8% 18.6% 26.2% 42.4% 100%	16.0% 15.5% 27.9% 40.6% 100%

^{*}The percentages may differ from 100.0% due to rounding.

The share of the population having had four or more jobs generally rises with age. In 1965-66, for example, while 12.0 percent of male youth had held four or more jobs, 32.7 percent of men aged 30 and above had done the same. However, women in the later sample had a somewhat different employment history. Women aged 30 and above were less likely than those 21 to 30 years of age to have held four or more jobs.

In the earlier sample, men generally had more jobs than women. The same was often not the case for the later sample. For example, in 1965-66 56.1 percent of the men aged 21 to 30 and 69.9 percent of the older men had been employed in three or more jobs, compared with 49.5 percent of the women aged 21 to 30 and 60.7 percent of the older women. In 1988-89, 68.6 percent of the women aged 21 to 30 had held three or more jobs, compared with 63.9 percent of similarly aged men. But 72.8 percent of older men compared with 68.5 percent of older women had such a work history.



Multiple job holding was more prevalent among women applicants in 1988-89 than in 1965-66. In the 1988-89 sample, approximately 40 percent of female youth had already had three or more jobs, compared with only 26.2 percent of female youth in 1965-66. Of those aged 21 to 30, 68.6 percent of the women in 1988-89 had held three or more jobs in contrast with 50 percent of women in the same age group in 1965-66. The same was true for older women.

With the exception of male youth, extensive job holding was also more likely to be found among male applicants in 1988-89. The cross sample differences were not as large for men as for women. For example, of men aged 21 to 30, 63.9 percent of those in the later sample had held three or more jobs, compared with 56.1 percent of the earlier Urban League applicants.

The more highly educated applicants were more likely to have held three or more positions. Table 13 shows the number of jobs held by years of schooling for 1988-89 Urban League applicants with a work history. For men, less than half (48.2 percent) of the high school dropouts had held three or more jobs, while 61.3 percent of the high school graduates, 74.1 percent of those who had completed 13 to 15 years of schooling, and 77 percent of those who were at least college graduates had done so. The same pattern also was found for women.

Table 13

Number of Previous Jobs by Education of Applicants with Work Experience
1988-89

Number of Jobs	Men <u>Year</u>	rs of Sch	nooling		Women Years o		ling	
	<u><12</u>	<u>12</u>	<u>13-15</u>	<u>16+</u>	<u><12</u>	_12	<u>13-15</u>	<u>16+</u>
1	26.2%	20.2%	8.9%	8.1%	33.1%	20.6%	9.0%	7.6%
2	25.6%	18.5%	17.0%	14.9%	28.8%	20.2%	15.4%	5.1%
3	25.0%	34.0%	31.2%	32.4%	22.9%	26.7%	26.2%	34.2%
4	23.2%	27.3%	42.9%	44.6%	15.3%	32.4%	49.3%	53.2%
Total	100%	100%	100%	100%	100%	100%	100%	100%

^{*}The percentages may differ from 100.0% due to rounding.



¹⁵Data limitations made it impossible to create a similar table for League applicants in 1965-66.

Length of Most Recent Job

Though Urban League applicants have held a variety of jobs, their employment has generally been of short duration. Table 14 shows the length of time spent on the most recent job by applicants in 1965-66 and 1988-89. The actual duration in months reported by applicants was used for determining job tenure in 1965-66. However, questions have been raised concerning the accuracy of such information. The job duration of applicants in 1988-89 was computed by subtracting the year a job began from the year it ended. For example, a job which ended in 1989 and started in 1988 was given a duration of one year. ¹⁶

Table 14

Length of Time on Most Recent Job

		1965-66		1988-89
Length of Time	<u>Men</u>	Women	<u>Men</u>	Women
<1 Year	69.9%	75.2%	60.6%	66.0%
1+ to 2 Years	9.9%	10.0%	14.6%	13.0%
2+ to 5 Years	13.6%	10.5%	12.0%	12.4%
5+ Years	6.6%	4.3%	12.8%	8.6%
Total	100.0%	100.0%	100.0%	100.0%

In 1965-66, slightly less than three-quarters of all jobs lasted one year or less. In 1988-89, slightly fewer than two-thirds were so short-term. In contrast, 20.2 percent of the men and 14.8 percent of the women in 1965-66 had a recent position of more than two years duration. The share of applicants with such jobs was higher in 1988-89, encompassing 24.8 percent of the men and 21.0 percent of the women.

The actual job duration may be slightly underestimated since some individuals sought Urban League assistance while still employed. Though they wished to change jobs, they will have actually been with their employer for a longer period than they reported on their application. Thus, Table 15 shows the length of time spent on the second most recent job for applicants in 1988-89. These duration data represent completed jobs. Employment is still short-term. In fact, compared with the results for the most recent job, approximately five percent more of the applicants had a second most recent job lasting one year or less. The full data are not



¹⁶There may be a problem with this methodology. A job beginning in December, 1988 and ending in January, 1989 would receive a duration value of one year as would a job beginning in January, 1988 and ending in December, 1989. However, this procedure is satisfactory if job beginnings and job endings are randomly distributed throughout the year.

available for applicants in 1965-66. But Hymer reports that 73 percent of the sample worked one year or less on their second most recent job.¹⁷

Table 15

Length of Time on Second Most Recent Job*
1988-89

Length of Time	<u>Men</u>	Women
<1 Year	66.4%	71.8%
1+ to 2 Years	10.9%	11.7%
2+ to 5 Years	15.0%	12.2%
5+ Years	7.6%	4.3%
Total	99.9%	100.0%

^{*}The percentages may differ from 100.0% due to rounding.

Job tenure increases with age. Table 16 presents information on the length of most recent job by the age of the applicants in 1988-89. For example, while 83.2 percent of men aged 16 to 20 had a last job with a duration of one year of less, only 46.1 percent of men over the age of 30 had such a short-term position. The share of people with jobs of long duration (i.e., more than five years) increases with age. While none of the male youth had such jobs, 24.6 percent of men over the age of 30 had recently been employed in such a long-term job. The same pattern held for women.



¹⁷Hymer, The Chicago Urban League as a Labor Market Intermediary, p. 52.

¹⁸Data are not available to compute Table 16 as well as Tables 17, 18 and 19 to follow for the 1965-66 sample.

Table 16

Length of Most Recent Job by Age of Applicant*
1988-89

	Men Age Grou	p		Women Age Group	
<u>16-20</u>	<u>21-30</u>	<u>30+</u>	<u>16-20</u>	<u>21-30</u>	<u>30+</u>
83.2% 10.6% 6.3% 0.0%	65.4% 14.5% 12.6% 7.6%	46.1% 16.2% 13.0% 24.6%	92.9% 5.1% 1.0% 1.0%	68.5% 14.3% 13.4% 3.9%	50.0% 14.8% 16.2% 19.0% 100.0%
	83.2% 10.6% 6.3%	Age Ground 16-20 21-30 83.2% 65.4% 10.6% 14.5% 6.3% 12.6% 0.0% 7.6%	Age Group 16-20 21-30 30+ 83.2% 65.4% 46.1% 10.6% 14.5% 16.2% 6.3% 12.6% 13.0% 0.0% 7.6% 24.6%	Age Group 16-20 21-30 30+ 16-20 83.2% 65.4% 46.1% 92.9% 10.6% 14.5% 16.2% 5.1% 6.3% 12.6% 13.0% 1.0% 0.0% 7.6% 24.6% 1.0%	Age Group Age Group 16-20 21-30 30+ 16-20 21-30 83.2% 65.4% 46.1% 92.9% 68.5% 10.6% 14.5% 16.2% 5.1% 14.3% 6.3% 12.6% 13.0% 1.0% 13.4% 0.0% 7.6% 24.6% 1.0% 3.9%

^{*}The percentages may differ from 100.0% due to rounding.

While the number of jobs held increased with years of schooling, the influence of education on job tenure was less clearcut. Table 17 shows the length of most recent job by the educational attainment of Urban League applicants in 1988-89. More highly educated women did have longer job tenure, but with the exception of male college graduates, the same relationship was not found for men. The most recent job of 79.0 percent of women high school dropouts was short-term, lasting at most one year. Only 66.9 percent of women high school graduates and 45.4 percent of women college graduates had a similar experience in the labor market.

Table 17

Length of Most Recent Job by Educational Attainment of Applicants*
1988-89

Length of Time	Men Years of Schooling				Women Years of Schooling			
	<u><12</u>	<u>12</u>	<u>13-15</u>	<u>16+</u>	<u><12</u>	<u>12</u>	<u>13-15</u>	<u>16+</u>
< 1 Year 1+ to 2 Yrs.	61.2% 17.0%	13.3%	62.0% 14.7%	16.0%	79.0% 6.1% 10.5%	66.9% 13.1% 9.8%	65.3% 14.8% 13.4%	5.4% 18.2% 20.8%
2+ to 5 Yrs. 5+ Yrs. Total	7.9% 13.9% 100%	13.0% 11.6% 100%		17.4% 17.4% 100%	4.4% 100%	9.8% 10.2% 100%	6.5% 100%	15.6% 100%

^{*}The percentages may differ from 100.0% due to rounding.



On the other hand, somewhat more than 15 percent of women college graduates had a most recent job lasting longer than five years, compared to 10.2 percent of high school graduates and 4.4 percent of high school dropouts. While additional schooling is correlated with more long-term employment for women, attending a few years of college but not graduating from a four-year institution is not associated with longer job tenure as compared with merely graduating from high school.

On the other hand, longer job tenure for men only emerges after college graduation. The same share of male high school dropouts, high school graduates, and college dropouts -- approximately 61 percent -- had a most recent job lasting at most one year. The likelihood of such short-term employment sharply declines with college graduation. Only 49.3 percent of male college graduates had recently held such a position. A similar trend is found for long-term employment. College graduates were more likely to have had a most recent job of more than five years duration than were less educated men. In fact, a slightly higher share of male high school dropouts (13.9 percent) had recently had such long-term employment in contrast to 11.6 percent of male high school graduates and 11.9 percent of male college dropouts.

Job tenure also varies by occupation. Table 18 presents data on the length of time of the most recent job by occupation of most recent job for Urban League applicants in 1988-89. For occupations of any size, short-term jobs predominate among handlers and laborers, service workers, and clerical workers. For example, 68 percent of male handlers and laborers and 76.6 percent of female ones had most recently held a job lasting one year or less.



Table 18

Length of Time on Most Recent Job by Occupation*
1988-89

Men

Length of Time

Occupation	<lyr.< th=""><th><u>1+-2yr.</u></th><th><u>2+-5yr.</u></th><th>5+yr.</th><th><u>Total</u></th></lyr.<>	<u>1+-2yr.</u>	<u>2+-5yr.</u>	5+yr.	<u>Total</u>
Managerial	38.7%	16.1%	16.1%	29.0%	99.9%
Professional	36.8%	31.6%	15.8%	15.8%	100.0%
Technical	33.3%	11.1%	33.3%	22.2%	99.9%
Sales	42.3%	26.9%	15.4%	15.4%	100.0%
Administrative support,	60.5%	18.6%	10.5%	10.5%	100.1%
including clerical					
Service	65.8%	13.5%	11.3%	9.4%	100.0%
Precision, craft,	54.0%	9.5%	12.7%	23.8%	100.0%
& repair					
Machine operator	55.9%	8.8%	2.9%	32.4%	100.0%
Transportation, moving	53.6%	7.1%	25.0%	14.3%	100.0%
Handler, laborer	68.7%	14.8%	9.3%	7.1%	99.9%
Farm, forestry,	0.0%	0.0%	0.0%	100.0%	100.0%
& fishing					



Table 18 (Continued)

Women

Length of Time

Occupation	<u><1 yr.</u>	<u>1+-2yr.</u>	<u>2+-5yr.</u>	5+yr.	<u>Total</u>
Managerial	46.7%	26.7%	6.7%	20.0%	100.1%
Professional	52.4%	14.3%	14.3%	19.0%	100.0%
Technical	27.8%	22.2%	33.3%	16.7%	100.0%
Sales	62.9%	8.6%	28.6%	0.0%	100.1%
Administrative Support, including clerical	58.0%	13.8%	11.6%	16.7%	100.1%
Service	73.0%	11.9%	10.5%	4.5%	100.0%
Precision, craft & repair	50.0%	37.5%	0.0%	12.5%	100.0%
Machine operator	40.0%	26.7%	6.7%	26.7%	100.1%
Transportation, moving	100.0%	0.0%	0.0%	0.0%	100.0%
Handler, laborer	76.6%	6.4%	12.8%	4.3%	100.1%
Farm, forestry, fishing					

^{*}The percentages may differ from 100.0% due to rounding.

Men recently working in managerial, professional, and technical areas were least likely to have been employed in a job lasting at most one year. Somewhat more than one-third of these individuals had just held such a position. A larger share of female managerial and professional workers were recently involved in a short-term employment relationship. Forty-six per cent of women managers and 52.4 percent of women professionals had a most recent job lasting one year or less. But only 27.8 percent of women technical workers found themselves in a similar situation.

Long-term employment (jobs of five years or more) though relatively rare was most likely to be experienced by machine operators. Approximately one-third of male machine operators had held their most recent job for more than five years. No other occupational group had as large a proportion of its members in a long-term employment relationship. For women, the share of machine operators in long-term positions was also the highest of any occupational category. Approximately one-quarter of women machine operators had held their most recent job for more than five years.

In addition, more than 20 percent of male managers, precision, craft, and repair workers, and technical workers had a most recent long-term position. For any given occupation, women



were generally less likely than men to have long-term employment. The only exception were female professionals, 19 percent of whom had been with their employer for a lengthy period of time, compared with 15.8 percent of male professionals. A similar share of women managers -- 20 percent -- had recently held a long-term job.

In addition to varying by occupation, job tenure varies by industry. Table 19 presents data on the length of time of a most recent job by industry for Urban League applicants in 1988-89. Since machine operators are often found in manufacturing, it is not unexpected that manufacturing should be an important source of long-term jobs. Twenty-one per cent of women in manufacturing, the highest share of any industrial grouping, had worked at their jobs for more than five years. While the government sector had the largest share of male workers in long-term positions -- 24.6 percent -- manufacturing ranked second with 18.0 percent of men having been with the same employer for more than five years. Female government workers did not fare as well, with only 12.8 percent having recently held a long-term job.

Table 19

Length of Time on Most Recent Job by Industry*
1988-89

Men

Length of Time

<u><1 yr.</u>	1+-2yr.	2+-5yr.	5+yr.	<u>Total</u>
66.0%	5.7%	18.9%	9.4%	100.0%
58.5%	17.1%	6.3%	18.0%	99.9%
59.1%	15.2%	10.6%	15.2%	100.1%
66.7%	14.3%	9.5%	9.5%	100.0%
28.0%	16.0%	44.0%	12.0%	100.0%
65.3%	14.1%	9.7%	10.9%	100.0%
35.1%	17.5%	22.8%	24.6%	100.0%
	66.0% 58.5% 59.1% 66.7% 28.0% 65.3%	66.0% 5.7% 58.5% 17.1% 59.1% 15.2% 66.7% 14.3% 28.0% 16.0% 65.3% 14.1%	66.0% 5.7% 18.9% 58.5% 17.1% 6.3% 59.1% 15.2% 10.6% 66.7% 14.3% 9.5% 28.0% 16.0% 44.0% 65.3% 14.1% 9.7%	66.0% 5.7% 18.9% 9.4% 58.5% 17.1% 6.3% 18.0% 59.1% 15.2% 10.6% 15.2% 66.7% 14.3% 9.5% 9.5% 28.0% 16.0% 44.0% 12.0% 65.3% 14.1% 9.7% 10.9%



Table 19 (continued)

Women

Length of Time

Industry	<1 yr.	$\underline{1+-2yr.}$	2+-5yr.	<u>5+yr.</u>	<u>Total</u>
Agriculture					
Construction					
Manufacturing	50.0%	11.5%	17.3%	21.2%	100.0%
Transportation, comm.,	64.3%	14.3%	14.3%	7.1%	100.0%
& utilities					
Trade	69.2%	13.7%	9.6%	7.5%	100.0%
FIRE	37.8%	27.0%	18.9%	16.2%	99.9%
Service	69.7%	12.6%	12.1%	5.6%	100.0%
Government	72.3%	4.3%	10.6%	12.8%	100.0%

^{*}The percentages may differ from 100.0% due to rounding.

In the private sector, approximately two-thirds of the applicants in construction, trade, and services had been in short-term work. While manufacturing firms did provide relative job security for some people, others found it a source of unstable employment. More than half of all manufacturing workers had held their most recent job for a period of time of one year or less. Though relatively few men in the public sector -- 35.1 percent -- had short duration jobs, 72.3 percent of female governmental workers found themselves in such a situation. For both men and women, the likelihood of short duration employment was the lowest in the finance, insurance, and real estate sector.

Summary

Chicago Urban League applicants are young and reasonably well-educated, at least as measured by years of schooling completed. A high proportion are high school graduates, and the share of college graduates is virtually the same as the share of black college graduates nationally. However, the men in the current applicant pool are much less likely to have graduated from college and to have held professional positions than earlier applicants. It appears that the more highly educated men are no longer seeking or needing job training and placement assistance from local assistance agencies.

Though reasonably well-educated, the applicants face difficulties in the Chicago labor market. They have work experience, but the jobs are often of short duration. Average job tenure increases steadily with educational attainment for women. But it is only male college graduates who seem to be more likely to have longer-term jobs relative to less well-educated



men. Recent applicants, who are highly educated, seem to have less access to generally preferred professional positions than similarly educated applicants 25 years ago. Comparably educated male applicants were more likely to work in unskilled jobs than applicants 25 years ago.

Manufacturing firms are more likely to provide long-term employment opportunities than other private sector companies. But the job base is shifting from manufacturing to services. And jobs held by Urban League applicants in the service sector are generally short-term.



Part II

SPATIAL DISTRIBUTION OF EMPLOYMENT OPPORTUNITIES

PUBLIC TRANSPORTATION AND ACCESS TO EMPLOYMENT

Deindustrialization, business out-migration, and the resulting decentralization of employment have left the residents of many Chicago neighborhoods in dire need of employment opportunities. Inner-city jobs which pay a wage sufficient to raise a family and which present some measure of security and hopes of advancement are in very short supply. Many inner-city residents who manage to secure stable employment often must travel great distances by automobile to the suburban ring. This may strain family life or cause workers to leave their neighborhood and relocate closer to their place of employment.

But what about those residents who are in search of work but must rely on the public transportation system for their mobility? These workers cannot easily travel to the suburban ring for employment, primarily because while the transportation system works well for suburban commuters traveling to the city, it is woefully inadequate for city residents commuting to suburban job sites. The public transportation system is poorly designed to meet the needs of inner-city residents seeking to secure suburban employment. While inner-city residents could travel to suburban areas, albeit after long, time consuming commutes, this is where system use ends. Once arriving in the suburbs there are few means by which workers can travel to actual job sites. There are too few employees to warrant an extensive bus system in the suburbs, and employers are too decentralized for workers to walk or utilize the present bus routes to reach places of work.

Research Design

To assess the employment prospects which are geographically accessible to the residents of Grand Boulevard and West Town, maps were constructed to determine the maximum distance that can be traveled in one hour during rush hour using Chicago Transit Authority (CTA) services. Travel times were calculated using timetable information for each train line provided by the CTA. Routes were determined using bus and train route maps available to commuters by the CTA. Maximum distances are intended to be approximate measures. The time necessary to walk to a bus or train stop, wait for transportation, transfer (if necessary), and walk to a final destination is accounted for by adding 15 to 20 minutes to travel time totals.

A zone for both Grand Boulevard and West Town was created using measures of maximum



¹⁹Frank H. Cassell, "Regional Demographics and Employment Trends and Transportation Implications," Kellogg Graduate School of Management, Northwestern University, April 4, 1983, p. 21.

²⁰Chicago Transit Authority, Operations Planning/Schedules.

distance traveled. These zones reflect the total area which can be reached from the two communities using public transportation. The zones were then sub-divided into regions: north, south, central, and so on (see following section) to facilitate the analysis of potential employment opportunities.

Following the creation of regions, industry data was run using the Illinois Economic Database (IED). This information included number of firms and employment by industry. From these data, it was also possible to measure new firm growth and business expansion. Data are for 1988. This information was used to highlight changes in the local labor market and to identify industries which may present good employment prospects for unemployed residents of Grand Boulevard and West Town.

Geographic Areas Analyzed

This report presents data for regions within the City of Chicago and suburban Cook County. Each region is comprised of a number of contiguous zip codes (see Appendix 2).

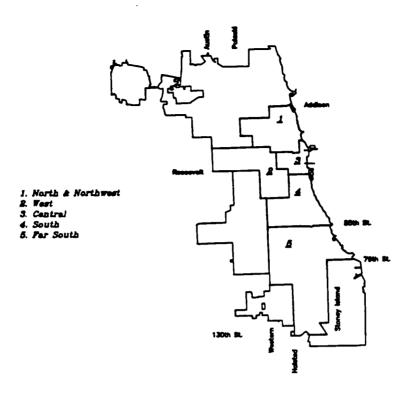
Map 2 shows the location of the regions which are accessible to residents of Grand Boulevard using the public transportation system. Map 2 includes a listing of the zip codes that have been combined to form each region.

Map 3 shows the location of the regions which are accessible to residents of West Town using the public transportation system. Map 3 includes a listing of the zip codes that have been combined to form each region.

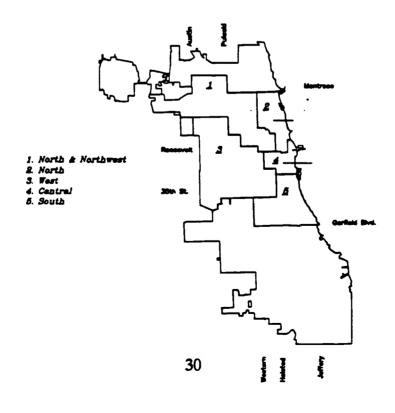


Map 2

Grand Boulevard Zone



Map 3
West Town Zone





ZONE PROFILES

Number of Firms and Total Employment

Aggregate figures of the number of businesses and total employment provide an initial indication of economic activity in each zone.

Grand Boulevard Zone. There are 71,261 firms employing 1,511,047 persons within the Grand Boulevard zone. Of these firms, 89.9 percent are continuing businesses and 10.1 percent are new business entries. The business failure rate during the past year was 5.0 percent. Among continuing firms, 33.5 percent are expanding and 24.8 percent are contracting.

West Town Zone. There are 77,461 firms employing 1,549,197 persons within the West Town zone. Of these firms, 89.6 percent are continuing businesses and 10.4 percent are new business entries. The business failure rate during the past year was 5.2 percent. Among continuing firms, 33.7 percent are expanding and 24.7 percent are contracting.

Distribution of Firms and Employment by Industry

The distribution of businesses and employment by major industry division provides an overview of the relative concentration of industries in each zone.

Grand Boulevard Zone. As shown in Table 20 and Maps 4-10, businesses in the Grand Boulevard zone are concentrated in four industry sectors: services (40.3 percent), retail trade (19.1 percent), finance, insurance and real estate (14.2 percent), and manufacturing (8.4 percent).

Employment in the Grand Boulevard zone is also concentrated in several industry sectors (Table 20). Twenty-eight percent of employment in the zone is in the service industry. The other industry sectors which represent the largest share of employment in the zone are: finance, insurance and real estate (18.1 percent), manufacturing (15.7 percent), and retail trade (14.0 percent).

There is great uniformity is the employment patterns throughout the zone. The central region contains the largest proportion of employment in each industry sector with the exception of construction. The north and northwest region contains the greatest number of construction jobs and the second greatest number of jobs in the other industry sectors.



Table 20

Number of Firms and Total Employment by Industry Sector

Grand Boulevard Zone

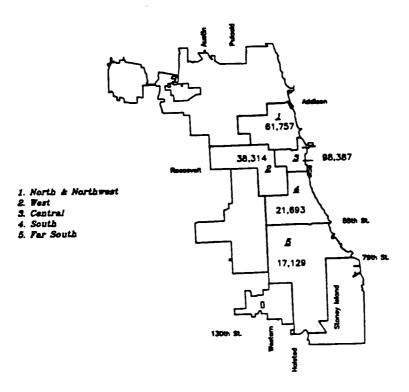
Industry Sector	Number of <u>Firms</u>	Total <u>Employment</u>
Construction	2,383	41,375
Manufacturing	6,013	237,280
Transportation, Communication, and Utilities	2,284	90,229
Retail Trade	13,636	211,484
Wholesale Trade	7,449	99,359
Finance, Insurance and Real Estate	10,096	273,355
Service	28,736	422,661
Other	665	173,454
Source: Illinois Economic Database,	1988.	

When considering regions with the least amount of employment by industry sector, patterns are slightly less uniform. The west region has the least employment in the retail and services industry sectors. The south region has the least employment in construction and transportation, communications and utilities industries. The far south region has the least manufacturing and wholesale employment.



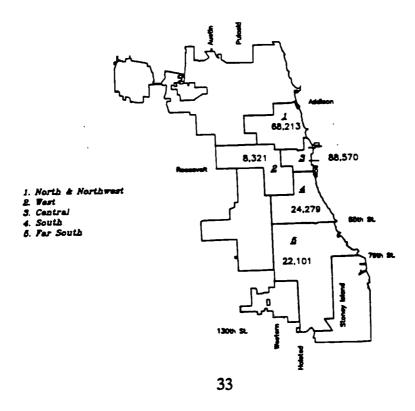
Map 4 - Manufacturing industry Employment

Grand Boulevard Zone



Map 5 — Retail Trade Industry Employment

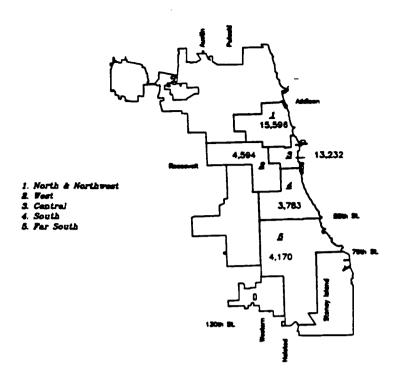
Grand Boulevard Zone





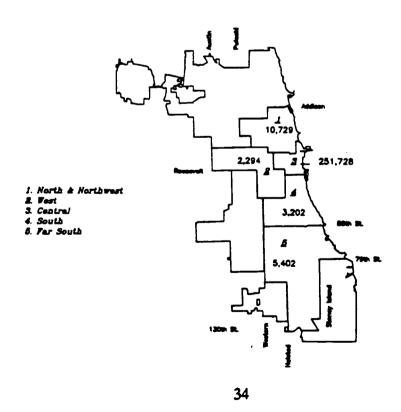
Map 6 - Construction Industry Employment

Grand Boulevard Zone



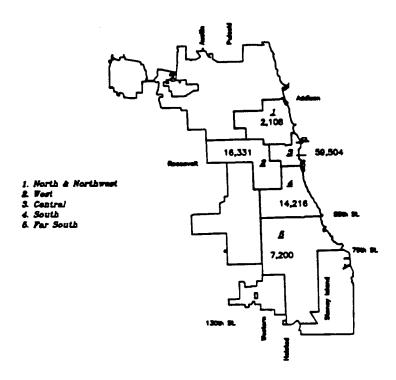
Map 7 — Finance, Insurance & Real Estate Industry Employment

Grand Boulevard Zone



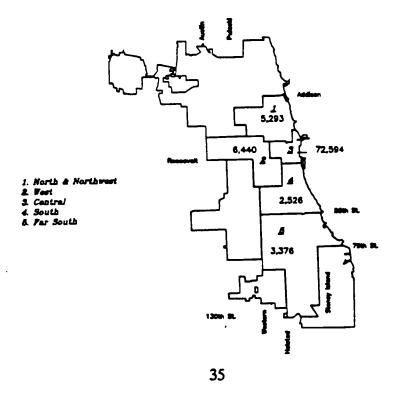


Map 8 — Wholesale Trade Industry Employment Grand Boulevard Zone



Map 9 - Transportation, Communication & Utilities Industry Employment

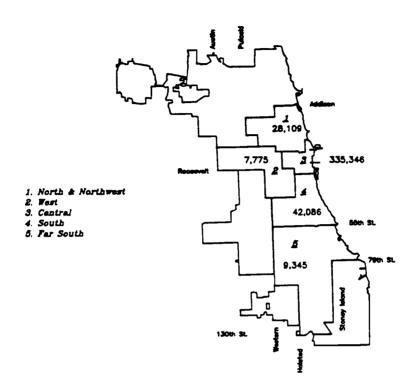
Grand Boulevard Zone



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Map 10 — Service Industry Employment Grand Boulevard Zone







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West Town Zone. As shown in Table 21 and Maps 11-17, businesses in the West Town zone are concentrated in four industry sectors: services (40.1 percent), retail trade (18.7 percent), finance, insurance and real estate (13.6 percent), and manufacturing (8.0 percent).

Table 21

Number of Firms and Total Employment by Industry Sector

West Town Zone

Industry Sector	Number ofFirms	Total <u>Employment</u>
Construction	3,644	51,435
Manufacturing	6,193	246,371
Transportation, Communication, and Utilities	2,394	88,037
Retail Trade	14,452	221,848
Wholesale Trade	8,352	141,793
Finance, Insurance and Real Estate	10,526	289,632
Service	31,032	452,278
Other	868	57,803
Source: Illinois Economic Database, 198	8.	

Of the more than 1.5 million jobs in the West Town zone, nearly one-third (29.2 percent) are in the service industry sector (Table 21). The other industry sectors which represent the largest share of employment in the zone are: finance, insurance and real estate (18.7 percent), manufacturing (15.9 percent), and retail trade (14.3 percent).



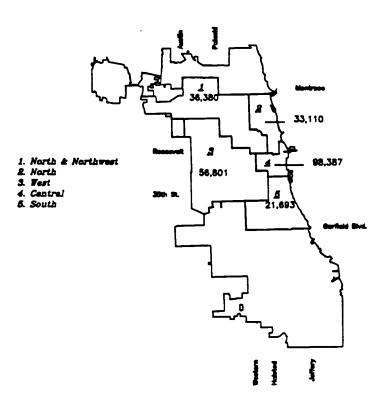
As was found in the Grand Boulevard zone, the distribution of employment by industry in the West Town zone falls into easily identifiable patterns. The greatest amount of employment, regardless of industry sector, is in the central region. The north region contains the second greatest number of jobs in every industry sector except manufacturing and transportation, communication and utilities which are found in greater number in the northwest region.

Again, as was found in the Grand Boulevard zone, the least number of jobs are located in the south region. The fewest jobs in every industry sector except services are located in the south region.



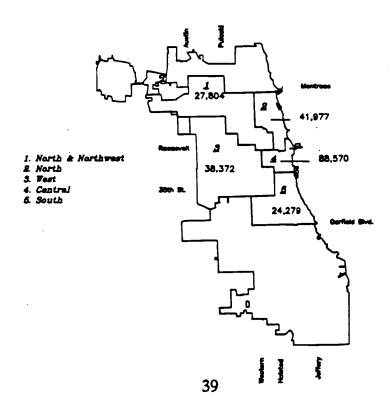
38

West Town Zone



Map 12 — Retail Trade Industry Employment

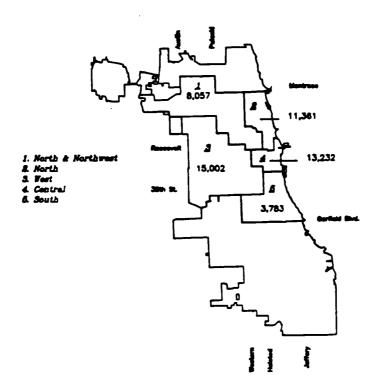
West Town Zone





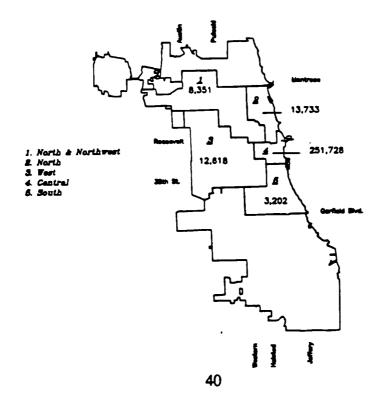
Map 13 - Contruction industry Employment

West Town Zone



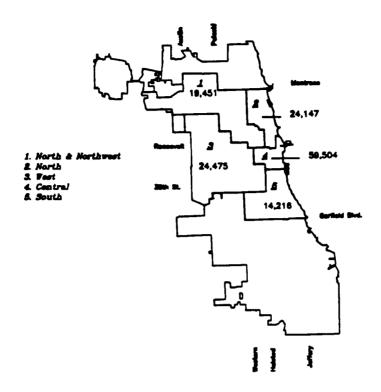
Map 14 — Finance, Insurance & Real Estate Industry Employment

West Town Zone



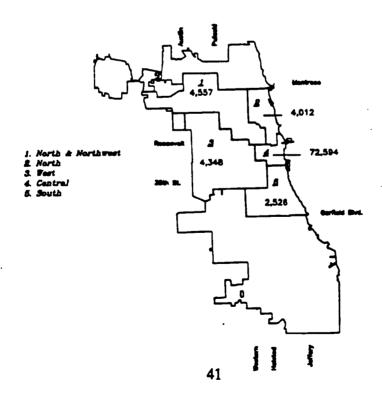


Map 15 — Wholesale Trade Industry Employment
West Town Zone



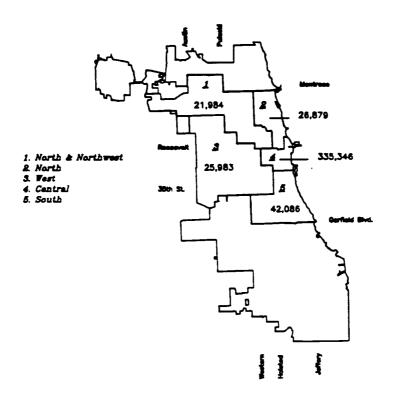
Map 16 - Transportation, Communication & Utilities Industry Employment

West Town Zone





Map 17 — Service Industry Employment
West Town Zone



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Chicago's Central Business District

The relative importance of the service and finance, insurance and real estate industries on the overall employment totals in the Grand Boulevard and West Town zones reflects the influence of the central region, and in particular the central business district. Chicago's central business district is the Midwest's center for finance and advanced services. The central region has distinct locational advantages. Firms locate there to be in close proximity to the financial exchanges and some of the world's largest financial institutions. Three-fourths of the employment in the service industry is located in the central region. Employment in the finance, insurance and real estate industry sector is even more concentrated with 86.9 percent of employment in this sector located in the central region.

THE IMPACT OF CHANGES IN THE LOCAL ECONOMY ON EMPLOYMENT OPPORTUNITY

Growth in private sector employment is the result of new business development and the expansion of existing firms. Conversely, employment loss arises when firms discontinue operations or scale back activities.²¹ This section examines total employment in the Grand Boulevard and West Town zones by major industry group (two-digit SIC) and identifies employment levels in contracting and expanding industries.

Note on Methodology

To determine which industries are expanding and contracting, we have constructed an industry change index (ICI). This index is computed as follows:

(number of firm entries - exits) + (number of firm expansions - contractions)
total firms in each location

where:

firm entries refers to new business start-up, firm exits refers to firms which discontinue operations, firm expansions refers to firms adding employees, and firm contractions refers to firms reducing employees.

Index scores vary between -1, representing complete contraction (i.e., all firms in an industry have discontinued operations or are contracting), and +1, representing complete expansion (i.e., all firms in an industry are new entries or are expanding). Expanding industries are expected to present potential employment opportunities, while long-term employment opportunities in contracting industries may be less favorable.



²¹This is not to say that the presence of new or expanding firms will necessarily increase employment levels. Firms may expand operations while becoming more capital-intensive, thereby decreasing employment. Likewise, new firm entries into a market could displace existing firms and result in net employment losses. In addition, firms could also introduce labor saving technological changes which could decrease an area's employment base.

Employment in Contracting Industries

Grand Boulevard Zone. Throughout the entire Grand Boulevard zone, 8.8 percent of employment (132,256 jobs) is in industries which are contracting.

Central

Twelve industries in the central region, representing 18.8 percent of employment (89,664 jobs), are classified as contracting (Table 22). Nearly 70 percent of this employment is concentrated in just three industries: communications (SIC 48; 19,854 jobs; ICI = -0.4), Insurance carriers (SIC 63; 25,931 jobs; ICI = -.02), and wholesale trade -- nondurable goods (SIC 51; 16,231 jobs; ICI = -.01).

Table 22

Employment in Contracting Industries
Grand Boulevard Zone -- Central Region

<u>SIC</u>	<u>Industry</u>	<u>ICI</u>	<u>Firms</u>	Employment
02	Agricultural production livestock and animal specialties	40	5	23
48	Communications	18	116	19,854
49	Electric, gas and sanitary services	17	12	9,015
52	Building materials, hardware, garden supply, and mobile home dealers	15	20	286
26	Paper and allied products	08	26	1,600
37	Transportation equipment	08	13	3,035
25	Furniture and fixtures	04	25	710
45	Transportation by air	04	49	1,839
63	Insurance carriers	02	240	25,931
51	Wholesale trade nondurable goods	01	669	16,231
59	Miscellaneous retail	01	530	6,466
79	Amusement and recreation services	01	148	4,576



North and Northwest

Seven industries in the north and northwest region, representing 11.9 percent of employment (16,695 jobs), are classified as contracting (Table 23). The three industries with the greatest number of employees are: food and kindred products (SIC 20; 5,453 jobs; ICI = -.08), general merchandise stores (SIC 53; 4,486 jobs; ICI = -.07), and electronic and other electrical equipment and components, except computer equipment (SIC 36; 3,160 jobs; ICI = -.05).

Table 23

Employment in Contracting Industries

Grand Boulevard Zone -- North and Northwest Region

<u>SIC</u>	<u>Industry</u>	<u>ICI</u>	<u>Firms</u>	Employment
16	Heavy construction other than building construction contractors	15	13	163
20	Food and kindred products	08	53	5,453
53	General merchandise stores	07	45	4,486
31	Leather and leather products	06	16	421
36	Electronic and other electrical equipment and components, except computer equipment	05	56	3,160
25	Furniture and fixtures	02	48	1,037
39	Miscellaneous manufacturing industries	02	82	2,006



West

Fourteen industries in the west region, representing 19.5 percent of employment (12,608 jobs), are classified as contracting (Table 24). The three industries with the highest employment levels are: food and kindred products (SIC 20; 5,800 jobs; ICI = -.08), eating and drinking places (SIC 58; 1,711 jobs; ICI = -.02), and printing, publishing, and allied industries (SIC 27; 1,283 jobs; ICI = -.09).

Table 24

Employment in Contracting Industries
Grand Boulevard Zone -- West Region

<u>SIC</u>	Industry	<u>ICI</u>	<u>Firms</u>	Employment
31	Leather and leather products	50	4	159
36	Electronic and other electrical equipment and components, except computer equipment	33	18	759
78	Motion pictures	33	6	18
56	Apparel and accessory stores	15	6 1	224
63	Security and commodity brokers, dealers, exchanges, and services	14	14	228
23	Apparel and other finished products made from fabrics and similar materials	09	11	437
27	Printing, publishing and allied industries	09	54	1,283
20	Food and kindred products	08	49	5,800
24	Lumber and wood products, except furniture	08	24	581
76	Miscellaneous repair services	08	25	214
86	Membership organizations	04	56	357
55	Automotive dealers and gasoline service stations	02	54	393
58	Eating and drinking places	02	229	1711
65	Real estate	01	77	442



South

Ten industries in the south region, representing 7.8 percent of employment (4,609 jobs), are classified as contracting (Table 25). The two industries with the largest number of employees are: paper and allied products (SIC 26; 1,249 jobs; ICI = -.25) and depository institutions (SIC 60; 1,552 jobs; ICI = -.18).

Table 25

Employment in Contracting Industries
Grand Boulevard Zone -- South Region

SIC	Industry	<u>ICI</u>	<u>Firms</u>	Employment
41	Local and suburban transit and interurban highway passenger transportation	33	9	292
26	Paper and allied products	25	24	1,249
64	Insurance agents, brokers and service	24	25	68
39	Miscellaneous manufacturing industries	21	19	422
33	Primary metal industries	20	5	123
56	Apparel and accessory stores	20	64	222
60	Depository institutions	18	73	1,552
61	Nondepository credit institutions	17	6	24
57	Home furniture, furnishings, and equipment stores	15	39	XXX
55	Automotive dealers and gasoline service stations	03	61	639



Far South

Fourteen industries in the far south region, representing 13.6 percent of employment (6,591 jobs), are classified as contracting (Table 26). The two industries with the largest share of employment are: industrial and commercial machinery and computer equipment (SIC 35; 1,551 jobs; ICI = -.02) and depository institutions (SIC 60; 1,299 jobs; ICI = -.12).

Table 26

Employment in Contracting Industries
Grand Boulevard Zone -- Far South Region

SIC	Industry	<u>ICI</u>	<u>Firms</u>	Employment
38	Measuring, analyzing, and controlling instruments	-1.0	4	148
24	Lumber and wood products, except furniture	40	5	4
37	Transportation equipment	36	11	703
78	Motion pictures	27	11	53
56	Apparel and accessory stores	22	105	313
32	Stone, clay, glass, and concrete products	21	14	278
33	Primary metal industries	20	10	573
47	Transportation services	20	10	106
89	Miscellaneous services	20	5	15
70	Hotels and other lodging places	13	23	220
60	Depository institutions	12	84	1,299
76	Miscellaneous repair services	03	35	266
34	Fabricated metal products, except machinery and computer equipment	02	44	1,078
35	Industrial and commercial machinery and computer equipment	02	41	1,551



West Town. Throughout the entire West Town zone, 7.6 percent of employment (177,836 jobs) is in contracting industries.

Central

Twelve industries in the central region, representing 18.8 percent of employment (89,664 jobs) are classified as contracting (Table 27). Nearly 70 percent of this employment is concentrated in just three industries: communications (SIC 48; 19,854 jobs; ICI = -0.4), Insurance carriers (SIC 63; 25,931 jobs; ICI = -.02), and wholesale trade -- nondurable goods (SIC 51; 16,231 jobs; ICI = -.01).

Table 27

Employment in Contracting Industries
West Town Zone -- Central Region

SIC	<u>Industry</u>	<u>ICI</u>	<u>Firms</u>	Employment
02	Agricultural production livestock and animal specialties	40	5	23
48	Communications	18	116	19,854
49	Electric, gas and sanitary services	17	12	9,015
52	Building materials, hardware, garden supply, and mobile home dealers	15	20	286
26	Paper and allied products	08	26	1,600
37	Transportation equipment	08	13	3,035
25	Furniture and fixtures	04	25	710
45	Transforation by air	04	49	1,839
63	Insurance carriers	02	240	25,931
51	Wholesale trade nondurable goods	01	669	16,231
59	Miscellaneous retail	01	530	6,466
79	Amusement and recreation services	01	148	4,576



North

Six industries in the north region, representing 9.5 percent of employment (10,291 jobs), are classified as contracting (Table 28). The three industries with the greatest number of employees are: food and kindred products (SIC 20; 4,535 jobs; ICI = -.22), measuring, analyzing, and controlling instruments (SIC 38; 2,321 jobs; ICI = -.05), and electronic and other electrical equipment and components, except computer equipment (SIC 36; 1,614 jobs; ICI = -.13).

Table 28

Employment in Contracting Industries
West Town Zone -- North Region

SIC	Industry	<u>ICI</u>	<u>Firms</u>	Employment
20	Food and kindred products	22	32	4,535
56	Apparel and accessory stores	19	194	1,258
23	Apparel and other finished products made from fabrics	13	38	422
36	Electronic and other electrical equipment, except computer equipment	13	23	1,614
32	Stone, clay, glass, and concrete products	09	11	162
38	Measuring, analyzing, and controlling instruments	05	19	2,321



Northwest

Eleven industries in the northwest region, representing 9.1 percent of employment (7,203 jobs), are classified as contracting (Table 29). The three industries with the greatest number of employees are: hotels and other lodging places (SIC 7 0; 2,233 jobs; ICI = -.08), measuring, analyzing, and controlling instruments (SIC 38; 2,010 jobs; ICI = -.33), and nondepository credit institutions (SIC 61; 1,007 jobs; ICI = -.22).

Table 29

Employment in Contracting Industries
West Town Zone -- Northwest Region

<u>SIC</u>	Industry	<u>ICI</u>	<u>Firms</u>	Employment
67	Holding and other investment offices	42	12	48
38	Measuring, analyzing, and controlling instruments	33	21	2,010
75	Automotive repair, services and parking	25	4	6
82	Educational services	25	28	718
16	Heavy construction other than building construction	23	13	159
61	Nondepository credit institutions	22	23	1,007
88	Private households	17	18	49
28	Chemicals and other allied products	10	10	160
70	Hotels and other lodging places	08	24	2,233
76	Miscellaneous repair services	06	36	321
55	Automotive dealers and gasoline service stations	03	64	504



West

Ten industries in the west region, representing 8.4 percent of employment (9,149 jobs), are classified as contracting (Table 30). The three industries with the highest employment levels are: insurance carriers (SIC 63; 2,900 jobs; ICI = -.06), general merchandise stores (SIC 53; 2,674 jobs; ICI = -.13), and apparel and accessory stores (SIC 56; 1,109 jobs; ICI = -.12).

Table 30

Employment in Contracting Industries
West Town Zone -- West Region

<u>SIC</u>	Industry	<u>ICI</u>	<u>Firms</u>	Employment
31	Leather and leather products	40	10	238
37	Transportation equipment	36	14	332
53	General merchandise stores	13	40	2,674
56	Apparel and accessory stores	12	157	539
42	Motor freight and trans- portation and warehousing	06	94	734
48	Communications	06	18	2,900
63	Insurance carriers	06	18	212
16	Heavy construction other than building construction	05	20	181
81	Legal services	03	70	233
47	Transportation services	01	69	7



South

Ten industries in the south region, representing 7.8 percent of employment (4,609 jobs), are classified as contracting (Table 31). The two industries with the largest number of employees are: paper and allied products (SIC 26; 1,249 jobs; ICI = -.25) and depository institutions (SIC 60; 1,552 jobs; ICI = -.18).

Table 31

Employment in Contracting Industries
West Town Zone -- South Region

<u>SIC</u>	<u>Industry</u>	<u>ICI</u>	<u>Firms</u>	Employment
41	Local and suburban transit and interurban highway passenger transportation	33	9	292
26	Paper and allied products	25	24	1,249
64	Insurance agents, brokers and service	24	25	68
39	Miscellaneous manufacturing industries	21	19	422
33 °	Primary metal industries	20	5	123
56	Apparel and accessory stores	20	64	222
60	Depository institutions	18	73	1,552
61	Nondepository credit institutions	17	6	24
57	Home furniture, furnishings, and equipment stores	15	39	XXX
55	Automotive dealers and gasoline service stations	03	61	639



Employment in Expanding Industries

Grand Boulevard Zone. Throughout the entire Grand Boulevard zone, 90.8 percent of employment (1,371,907 jobs) is in expanding industries.

Central

The top ten industries in the central region classified as expanding (Table 32) represent 4.2 percent of employment (20,031 jobs). The three industries with the greatest employment levels are: social services (SIC 83; 6,816 jobs; ICI = .23), chemicals and allied products (SIC 28; 3,284 jobs; ICI = 41), and electronic and other electrical equipment and components, except computer equipment (SIC 36; 2,959 jobs; ICI = .39).

Table 32

Employment in the Top Ten Expanding Industries
Grand Boulevard Zone -- Central Region

<u>SIC</u>	Industry	<u>ICI</u>	<u>Firms</u>	Employment
22	Delinerary control industries	60	16	1.640
33	Primary metal industries	.69	16	1,640
78	Motion pictures	.60	5	9
24	Lumber and wood products, except furniture	.55	11	280
41	Local and suburban transit and interurban highway passenger transportation	.48	21	1,887
28	Chemicals and allied products	.41	34	3,284
36	Electronic and other electrical components, except computer equipment	.39	28	2,959
84	Museums, art galleries, and gardens	.38	16	2,684
44	Water transportation	.27	22	431
83	Social services	.23	158	6,816
55	Automotive dealers and gasoline service stations	.23	44	617



North and Northwest

The top ten industries in the north and northwest region classified as expanding (Table 33) represent 4.4 percent of employment (6,173 jobs). The two industries with the greatest number of employees are: social services (SIC 83; 2,678 jobs; ICI = .33) and rubber and miscellaneous plastics products (SIC 30; 1,722 jobs; ICI = 39).

Table 33

Employment in the Top Ten Expanding Industries
Grand Boulevard Zone -- North and Northwest Region

SIC	Industry	<u>ICI</u>	<u>Firms</u>	Employment
84	Museums, art galleries and gardens	.63	8	228
75	Automotive repair, services and parking	.43	7	89
44	Water transportation	.43	7	55
76	Miscellaneous repair services	.39	13	88
30	Rubber and misc. plastics products	.38	41	1,722
89	Miscellaneous services	.34	32	216
7	Agricultural services	.33	32	221
83	Social services	.32	90	2,678
63	Insurance carriers	.28	28	835
64	Insurance agents, brokers and service	.27	62	784



West

The top ten industries classified as expanding in the west region (Table 34) represent 12.6 percent of employment (8,276 jobs). The three industries with the highest employment levels are: business services (SIC 73; 2,362 jobs; ICI = .34), paper and allied products (SIC 26; 1,752 jobs; ICI = .39), and social services (SIC 83; 1,603 jobs; ICI = .39).

Table 34

Employment in the Top Ten Expanding Industries
Grand Boulevard Zone -- West Region

SIC	Industry	<u>ICI</u>	<u>Firms</u>	Employment
29	Petroleum refining and related industries	1.0	4	131
79	Amusement and recreation services	.50	8	53
7	Agricultural services	.40	5	19
61	Nondepository credit institutions	.40	5	76
83	Social services	.39	62	1,603
26	Paper and allied products	.37	23	1,752
30	Rubber and misc. plastics products	.35	19	1,016
33	Primary metal industries	.34	26	2,153
73	Business services	.33	91	2,362
70	Hotels and other lodging places	.33	9	107



South

The top ten industries in the south region classified as expanding (Table 35) represent 13.8 percent of employment (8,155 jobs). The three industries with the largest number of employees are: educational services (SIC 82; 2,552 jobs; ICI = .31), electronic and other electrical equipment and components, except computer equipment (SIC 36; 1,612 jobs; ICI = .40), and engineering, accounting, research, management, and related services (SIC 87; 1,464 jobs; ICI = .26).

Table 35

Employment in the Top Ten Expanding Industries
Grand Boulevard Zone -- South Region

SIC	<u>Industry</u>	<u>ICI</u>	<u>Firms</u>	Employment
25	Furniture and fixtures	.57	14	1,349
62	Security and commodity broker, dealers, exchanges, and services	.50	6	37
31	Leather and leather products	.50	6	1,309
37	Transportation equipment	.44	9	167
36	Electronic and other equipment and components, except computer equipment	.40	10	1,612
28	Chemicals and allied products	.40	25	937
67	Holding and other allied products	.38	8	100
82	Educational services	.31	35	2,552
24	Lumber and wood products, except furniture	.28	15	237
87	Engineering, accounting, research, management, and related services	.26	57	1,464



Far South

The top ten industries in the far south region classified as expanding (Table 36) represent 6.2 percent of employment (3,004 jobs). The industry with the largest share of employment is: food and kindred products (SIC 20; 1,350 jobs; ICI = .33).

Table 36

Employment in the Top Ten Expanding Industries
Grand Boulevard Zone -- South Region

<u>SIC</u>	Industry	<u>ICI</u>	<u>Firms</u>	Employment
36	Electronic and other electrical equipment and components, except computer equipment	.78	9	425
23	Apparel and other finished products made from fabrics	.50	4	30
67	Holding and other investment offices	.38	8	14
25	Furniture and fixtures	.36	11	154
9	Fishing, trapping and hunting	.33	9	23
30	Rubber and misc. plastics products	.33	9	836
20	Food and kindred products	.33	15	1,350
88	Private households	.29	55	74
61	Nondepository credit institutions	.28	8	88
48	Communications	.25	8	330



West Town. Throughout the entire West Town zone, 91.7 percent of employment (1,420,843 jobs) is in contracting industries.

Central

The top ten industries in the central region classified as expanding (Table 37) represent 4.2 percent of employment (20,031 jobs). The three industries with the greatest employment are: social services (SIC 83; 6,816 jobs; ICI = .23), chemicals and allied products (SIC 28; 3,284 jobs; ICI = 41), and electronic and other electrical equipment and components, except computer equipment (SIC 36; 2,959 jobs; ICI = .39).

Table 37

Employment in the Top Ten Expanding Industries
West Town Zone -- Central Region

SIC	<u>Industry</u>	<u>ICI</u>	<u>Firms</u>	Employment
33	Primary metal industries	.69	16	1,640
78	Motion pictures	.60	5	9
24	Lumber and wood products, except furniture	.55	11	280
41	Local and suburban transit and interurban highway passenger transportation	.48	21	1,887
28	Chemicals and allied products	.41	34	3,284
36	Electronic and other electrical components, except computer equipment	.39	28	2,959
84	Museums, art galleries, and gardens	.38	16	2,684
44	Water transportation	.27	22	431
83	Social services	.23	158	6,816
55	Automotive dealers and gasoline service stations	.23	44	617



North

The top ten industries in the north region classified as expanding (Table 38) represent 3.4 percent of employment (3,683 jobs). The industry with the greatest number of employees is: building construction -- general contractors and operative builders (SIC 15; 2,896 jobs; ICI = .27).

Table 38

Employment in the Top Ten Expanding Industries
West Town Zone -- North Region

<u>SIC</u>	Industry	<u>ICI</u>	<u>Firms</u>	Employment
84	Museums, art galleries, and gardens	.63	8	228
63	Insurance carriers	.50	20	582
33	Primary metal industries	.50	10	210
44	Water transportation	.40	5	25
30	Rubber and misc. plastics products	.36	22	858
28	Chemicals and allied products	.33	21	682
7	Agricultural products	.28	29	217
76	Miscellaneous repair services	.27	11	93
64	Insurance agents, brokers and agents	.27	56	736
15	Building construction - general contractors and operative builders	.27	127	2,896



Northwest

The top ten industries in the northwest region classified as expanding (Table 39) represent 3.0 percent of employment (2,375 jobs). The industry with the greatest number of employees is: fabricated metal products, except machinery and transportation equipment (SIC 34; 3,700 jobs; ICI = .33).

Table 39

Employment in the Top Ten Expanding Industries
West Town Zone -- Northwest Region

SIC	Industry	<u>ICI</u>	<u>Firms</u>	Employment
76	Miscellaneous repair services	.75	8	109
33	Primary metal services	.63	8	518
32	Stone, clay, glass, and concrete products	.60	5	315
62	Security and commodity brokers, dealers, exchanges, and services	.50	24	82
99	Nonclassifiable establishment	.40	25	76
41	Local and suburban transit and interurban highway passenger transportation	.40	10	159
26	Paper and allied products	.40	10	685
7	Agricultural services	.38	48	275
78	Motion pictures	.34	35	157
34	Fabricated metal products, except machinery and transportation equipment	.33	73	3,700



<u>West</u>

The top ten industries in the central region classified as expanding (Table 40) represent 4.2 percent of employment (20,031 jobs). The two industries with the greatest employment are: rubber and miscellaneous plastics products (SIC 30; 1,497 jobs; ICI = .35) and local and suburban transit and interurban highway passenger transportation (SIC 41; 1,094 jobs; ICI = .50).

Table 39

Employment in the Top Ten Expanding Industries
West Town Zone -- West Region

<u>SIC</u>	Industry	<u>ICI</u>	<u>Firms</u>	Employment
89	Miscellaneous services	1.0	5	125
44	Water transportation	.50	4	45
41	Local and suburban transit	.50	20	1,094
	and interurban highway passenger transportation	.46	11	83
76	Miscellaneous repair services	.35	69	321
99	Nonclassifiable establishments	.35	34	1,497
30	Rubber and misc. plastics products	.33	9	91
67	Holding and other investment offices	.33	23	33
88	Private households	.30	48	243
7	Agricultural services	.27	36	158
78	Motion pictures	.25	32	1,923



South

The top ten industries in the south region classified as expanding (Table 35) represent 13.8 percent of employment (8,155 jobs). The three industries with the largest number of employees are: educational services (SIC 82; 2,552 jobs; ICI = .31), electronic and other electrical equipment and components, except computer equipment (SIC 36; 1,612 jobs; ICI = .40), and engineering, accounting, research, management, and related services (SIC 87; 1,464 jobs; ICI = .26).

Table 41

Employment in the Top Ten Expanding Industries
West Town Zone -- South Region

SIC	Industry	<u>ICI</u>	<u>Firms</u>	Employment
25	Furniture and fixtures	.57	14	1,349
62	Security and commodity broker, dealers, exchanges, and services	.50	6	37
31	Leather and leather products	.50	6	1,309
37	Transportation equipment	.44	9	167
36	Electronic and other equipment and components, except computer equipment	.40	10	1,612
28	Chemicals and allied products	.40	25	937
67	Holding and other allied products	.38	8	100
82	Educational services	.31	35	2,552
24	Lumber and wood products, except furniture	.28	15	237
87	Engineering, accounting, research, management, and related services	.26	57	1,464



MATCHING THE UNEMPLOYED WITH JOB PROSPECTS

Part I of this report identified the most recent industry of job training and placement applicants to the Chicago Urban League. Recent employment experience of both male and female applicants is concentrated in the service, retail trade and manufacturing industry sectors. This section identifies areas which are accessible to the residents of Grand Boulevard and West Town and which may present the greatest employment opportunities for those who are unemployed.

Grand Boulevard Zone

Service

The vast majority of service industry jobs in the Grand Boulevard zone are located in the central region. This reflects the influence of the central business district which is the location of many firms involved in advanced services. In the central region, service sector employment is concentrated in six industries which we have identified as undergoing expansion:

- 1. Business services (SIC 73) -- 41,741 jobs
- 2. Engineering, accounting, research, management, and related services (SIC 87) -- 35,012 jobs
- 3. Legal services (SIC 81) -- 28,178 jobs
- 4. Hotels and other lodging places (SIC 70) -- 15,473 jobs
- 5. Membership organizations (SIC 86) -- 12,547 jobs
- 6. Heath services (SIC 70) -- 10,566 jobs

Only one service sector industry in the central region, amusement and recreation services (SIC 79), is undergoing contraction.

Insofar as unemployed male and female applicants to the Chicago Urban League have mainly held service (38.6 percent of male and 53.9 percent of female applicants) and administrative support (11.2 percent of male and 21.5 percent of female applicants) occupations (see Table 4), the greatest employment opportunities for these residents appear to be located in the central region.

Retail Trade

Although employment in retail trade industries is greatest in the central region, it is relatively more evenly distributed throughout the Grand Boulevard zone. In the central region, retail trade sector employment is concentrated in two industries that we have classified as expanding:



- 1. Eating and drinking places (SIC (58) -- 16,094 jobs
- 2. General merchandise stores (SIC 53) -- 13,876 jobs

The second greatest number of retail trade jobs in the Grand Boulevard zone are located in the north and northwest region. Again, the largest single source of retail trade employment is eating and drinking places (SIC 58). This holds true for all regions in the Grand Boulevard zone.

Substantial levels of employment (4,576 jobs) in the central region are found in the miscellaneous retail trade industry (SIC 59) which is classified as contracting. However, this is an exception. Overall, there is very little employment in retail trade industries throughout the Grand Boulevard zone that are classified as contracting.

Manufacturing

A large number of male Urban League applicants last held employment in the manufacturing industry. The greatest number of jobs in this industry are located in the central and north and northwest regions. In the central region, employment is found in the following industries that we have classified as expanding:

- 1. Printing, publishing, and allied industries (SIC 27) -- 21,834 jobs
- 2. Food and kindred products (SIC 20) -- 6,050 jobs

In the north and northwest region, manufacturing sector employment is spread throughout several expanding industries:

- 1. Fabricated metal products, except machinery and computer equipment (SIC 34) -- 4,796 jobs
- 2. Printing, publishing, and allied products (SIC 27) -- 3,469 jobs
- 3. Industrial and commercial machinery and computer equipment (SIC 35) -- 2,876 jobs
- 4. Measuring, analyzing, and controlling instruments (SIC 38) -- 2,616 jobs

Significant levels of manufacturing employment are found in other regions as well. In the west region, 2,090 jobs are in the industrial and commercial machinery and computer equipment industry (SIC 35) and 1,752 jobs are in paper and allied products industry (SIC 26). In the south region, manufacturing jobs are found in the following expanding industries:

- 1. Food and kindred products (SIC 20) -- 4,161 jobs
- 2. Electronic and other electrical equipment and components, except computer equipment (SIC 36) -- 1,612 jobs
- 3. Furniture and fixtures (SIC 25) -- 1,349 jobs
- 4. Leather and leather products (SIC 31) -- 1,309



In the far south region, 2,999 jobs are in the chemicals and allied products industry (SIC 28) and 1,350 jobs are in food and kindred products (SIC 20).

Each of these manufacturing industries may be important, particularly for the 22.5 percent of male and 7.1 percent of female applicants whose last occupation was a handler and laborer position.

However, there are a number of manufacturing industries with significant levels of employment which are classified as contracting. It is important to note that some industry sectors may be found to be expanding in one region and contracting in another. Contracting manufacturing industries by location are as follows:

Central

Paper and allied products (SIC 26) -- 1,600 jobs

North and Northwest

Food and kindred products (SIC 20) -- 5,453

Electronic and other electrical equipment and components, except computer equipment (SIC 36) -- 3,160 jobs

Miscellaneous manufacturing industries (SIC 39) -- 2,006 jobs

South

Paper and allied products (SIC 26) -- 1,249 jobs

Far South

Industrial and commercial machinery and computer equipment (SIC 35) -- 1,551 jobs

West Town Zone

Service

The vast majority of service industry jobs in the West Town zone are located in the central region. In the central region, service sector employment is concentrated in six industries which we have identified as undergoing expansion:

- 1. Business services (SIC 73) -- 41,741 jobs
- 2. Engineering, accounting, research, management, and related services (SIC 87) -- 35,012 jobs
- 3. Legal services (SIC 81) -- 28,178 jobs
- 4. Hotels and other lodging places (SIC 70) -- 15,473 jobs



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- 5. Membership organizations (SIC 86) -- 12,547 jobs
- 6. Heath services (SIC 70) -- 10,566 jobs

Only one service sector industry in the central region, amusement and recreation services (SIC 79), is undergoing contraction.

The greatest employment opportunities for West Town residents seeking employment in service industries appear to be located in the central region.

Retail Trade

While the largest concentration of retail jobs are found in the central region, employment in retail trade industries is fairly evenly distributed throughout all of the West Town zone regions. In the central region, retail trade sector employment is concentrated in two industries that we have classified as expanding:

- 1. Eating and drinking places (SIC (58) -- 16,094 jobs
- 2. General merchandise stores (SIC 53) -- 13,876 jobs

Significant levels of retail trade industry employment is also found in the following industries located in the north region:

- 1. Eating and drinking places (SIC 58) -- 11,052 jobs
- 2. Miscellaneous retail (SIC 59) -- 2,591 jobs
- 3. Food stores (SIC 54) -- 2,210 jobs

Eating and drinking places (SIC 58) is the largest single source of retail trade employment throughout the West Town zone.

Substantial levels of employment (4,576 jobs) in the central region are found in the miscellaneous retail trade industry (SIC 59) which is classified as contracting. Apparel and accessory stores (SIC 56) in the north (1,258 jobs) and west (1,109 jobs) regions are also classified as contracting. In addition, the general merchandise stores industry (SIC 53) in the west region (2,674 jobs) is classified as contracting.

Manufacturing

The greatest number of manufacturing jobs in the West Town zone are located in the central and west regions. In the central region, employment is found in the following industries that we have classified as expanding:

- 1. Printing, publishing, and allied industries (SIC 27) -- 21,834 jobs
- 2. Food and kindred products (SIC 20) -- 6,050 jobs



In the west region, manufacturing sector employment is spread throughout the following expanding industries:

- 1. Printing, publishing, and allied products (SIC 27) -- 3,175 jobs
- 2. Food and kindred products (SIC 20) -- 2,391 jobs
- 3. Measuring, analyzing, and controlling instruments (SIC 38) -- 1,923 jobs
- 4. Paper and allied products (SIC 26) -- 1,674 jobs
- 5. Apparel and other finished products (SIC 23) -- 1,590 jobs
- 6. Miscellaneous manufacturing industries (SIC 39) -- 1,428 jobs

There are several manufacturing industries with significant employment which are classified as contracting:

Central

Paper and allied products (SIC 26) -- 1,600 jobs

North

Food and kindred products (SIC 20) -- 5,453

Electronic and other electrical equipment and components, except computer equipment (SIC 36) -- 3,160 jobs

Miscellaneous manufacturing industries (SIC 39) -- 2,006 jobs

Northwest

Measuring, analyzing, and controlling instruments (SIC 38) -- 2,010 jobs

South

Paper and allied products (SIC 26) -- 1,249 jobs

As was found in the Grand Boulevard zone, manufacturing industries may be experiencing expansion in one region and contraction in another.



POLICY IMPLICATIONS

The educational backgrounds and work histories of the applicants to the Chicago Urban League's Department of Employment, Counseling and Training demonstrate that they are part of the urban working class. Their employment problems stem from a lack of access to good, long-term jobs. They are channeled into relatively poor jobs with what seem to be limited chances for advancement. Voluntary job quitting and layoffs or firings interact to explain the limited duration of their employment relationships. While the dynamics of job changing of the recent applicants were not investigated, given concerns raised about the accuracy of the information provided by the applicants, Hymer, in an analysis of the 1965-66 sample, found that the high turnover rates represented a rational response by the applicants to a lack of opportunities for advancement inside the firm. Given the characteristics of the Urban League applicants, their labor market experiences, and employment opportunities, this section evaluates a variety of government policies dealing with job creation, race, the spatial distribution of economic activity, and worker quality in terms of their ability to improve the employment futures of inner-city residents.

Full Employment Policy

Properly structured public policies can improve the employment futures of Urban League applicants. A national "full employment" policy must be part of any urban policy agenda. Job creation policies would result in increased employment levels, a lower national unemployment rate, and likely a lower unemployment rate in Chicago.

African Americans would benefit from full employment policy in other ways as well. As unemployment declines, underemployed minorities gain access to better jobs. "Good jobs," however defined, are relatively scarce. There is often an oversupply of labor for most other positions. When labor is plentiful, the qualifications for being hired escalate, and employers are more able to discriminate on the basis of race if they desire. Thus, at any moment in time, the labor force is segmented into the "qualified" and the "unqualified" for particular positions.

As unemployment declines and labor becomes more scarce, the qualifications for hire diminish. Employers, unable to generate new sources of labor, are less able to discriminate on the basis of race. Some blacks, previously thought of as "unqualified" are now hired, and trained if necessary. In short, hiring standards are very flexible, ²³ and to



²²B. Hymer, The Dynamics of Job Changing: A Case Study of Employment Conditions for Black Workers in the Chicago Labor Market, Chicago: Chicago Urban League, 1969.

²³For a discussion of the queue theory of employment and the flexibility of hiring standards in the Chicago labor market, see A. Rees and G.P. Schultz, *Workers and Wages in an Urban Labor Market*, Chicago: University of Chicago Press, 1970.

a point such worker upgrading can be achieved relatively easily because workers are generally underemployed.²⁴

Furthermore, a reduced supply of labor for bad jobs would lead to pressure for an improvement in wages and working conditions at the bottom end of the labor market. However, the extent to which the labor market would be permanently restructured and lowwage, dead end jobs transformed is unclear. At minimum, a credible commitment to stable and continuous full employment would be required.

It is unquestionable that African Americans would gain from a full employment economy. It is likely, though less certain, that they would gain relative to whites. At the national level, black unemployment rates decline relative to white ones during economic expansions. However, during the 1980s in Chicago, as the national economy expanded the black unemployment rate rose relative to the white rate. The relative occupational standing of blacks fell during the recessions of the 1970s and early 1980s. In the 1980s black displaced workers had more difficulty finding new positions than whites.

A full employment policy would include a redirection of macroeconomic policy and a public service employment program. It would not include targeted employment subsidies to firms. Expansionary monetary and fiscal policies are capable of generating increased employment. But over the past 25 years, the fear of inflation has resulted in higher rates of unemployment being accepted by federal policy-makers.

Public Employment Program

A federally financed public employment program is a useful complement to expansionary macroeconomic policy. Exaggerated charges of corruption, make-work, and fiscal substitution helped to doom the public service employment program under the Comprehensive Employment



²⁴David Flax-Hatch and Wendy Wintermute, Structural Changes in Illinois Employment, Chicago: Chicago Urban League, 1985.

²⁵Rebecca M. Blank and Alan S. Blinder, Macroeconomics, Income Distribution, and Poverty, Fighting Poverty: What Works and What Doesn't, Cambridge, MA: Harvard University Press, 1986, p. 190.

²⁶Sam Rosenberg, "Racial Differences in Younger Male Occupational Mobility over the Business Cycle: 1966-75," *Proceedings of the 38th Annual Meeting*, Industrial Relations Research Association, Madison WI, 1986; and Sam Rosenberg, "Racial Differentials in Male Occupational Mobility During Economic Contractions, *Industrial Relations*, Vol. 26, No. 3, Fall, 1987.

²⁷P.O. Flaim and E. Sehgal, "Displaced Workers of 1979-83: How Well Have They Fared?", *Monthly Labor Review*, Vol., 108, No. 6, June, 1985; M. Podgursky and P. Swaim, Duration of Joblessness Following Displacement," *Industrial Relations*, Vol. 26, No. 3 Fall, 1987; and M. Podgursky and P. Swaim, "Job Displacement and Earnings Loss: Evidence from the Displaced Worker Survey," *Industrial and Labor Relations Review*, Vol. 41, No. 1, October, 1987.

and Training Act of 1973. Much of the research on public service employment was favorable toward it as a means to lessen cyclical and structural unemployment.²⁸ This program was most appropriate for providing employment and on-the-job training for those with limited work experience, labor force re-entrants, and displaced workers. It was not appropriate for those lacking basic skills, making them incapable of minimal job performance.²⁹ The educational backgrounds and work histories of most Urban League applicants show that they are not lacking basic skills.

Subsidizing firms to increase job creation does not seem to be effective. Evaluations of the Targeted Jobs Tax Credit show that relatively few firms participated in the program and relatively few net new jobs were created.³⁰

Affirmative Action

Increased job availability can benefit the black inner-city work force. However, blacks must have access to these new positions. The issue of access encompasses questions of race, space, and worker quality. Race-based policies, such as affirmative action and litigation under Title VII of the Civil Rights Act, must complement full employment policies. Ample employment opportunities provide an enabling atmosphere for race-based policies to attempt to root out racial discriminatory practices in the labor market. Racial progress seems less of a zero-sum game under these conditions.

Racial inequality persists and racial discrimination still exists. Although analysts differ on the effectiveness of anti-discrimination initiatives, these policies do seem to have significantly improved the employment of blacks in historically white male occupations. Leonard estimates that among government contractors, affirmative action has increased the demand for black males relative to white males by 6.5 percent, and the demand for black women relative to white women by 11.0 percent.³¹ Another study done by the U.S. Department of Labor also found employment increases for blacks in firms with government contracts. Furthermore, the same study reported that many blacks moved from service and low-skilled blue-collar jobs to skilled production, craft, and white collar jobs.³² Heckman and Payne argue that government



²⁸V.M. Briggs, Jr., "The Revival of Job Creation Programs in the 1970s: Lessons for the 1980s," *Proceedings of the Thirty-Fourth Annual Meeting*, Industrial Relations Research Association, Madison, WI, 1982.

²⁹R.F. Cook, C.F. Adams, Jr., and V.L. Rawlins, *Public Service Employment: The Experience of a Decade*, Kalamazoo, MI: W.E. Upjohn Institute for Employment Research, 1985, p. 129.

³⁰P. Osterman, Employment Futures: Reorganization, Dislocation, and Public Policy, New York: Oxford University Press, 1988, p. 97.

³¹J.S. Leonard, "The Impact of Affirmative Action on Employment, *Journal of Labor Economics*, Vol. 2, 1984, p. 459.

³²R. Pear, "Study says affirmative action expands hiring of minorities," New York Times, June 19, 1983.

anti-discrimination policies were major factors in the large increase in black employment in the South Carolina textile industry in the 1960s.³³ In short, it is not accurate to say, as some have argued, that race-specific programs have primarily helped more advantaged blacks gain professional and managerial positions, and done little for the inner-city black population.³⁴

Space refers to the location of economic activity. Employment is growing at a faster rate in the suburbs than in the City of Chicago. Within the City of Chicago, job growth is concentrated in white areas, far from the inner-city black neighborhoods. And within black neighborhoods, economic activity is contracting and jobs are disappearing.³⁵ The changing spatial distribution of employment may be hurting inner-city blacks. They may have limited information about suburban job availability. Even if blacks know about suburban job vacancies, inadequate transportation networks make it difficult for them to reach these jobs. Analysts differ on whether the changing geographic location of jobs can explain the labor market problems of inner-city blacks. Ellwood argues that young blacks in Chicago are not negatively affected by the absence of nearby jobs.³⁶ But Ihlanfeldt and Sjoquist find that the nearness of a job has a stronger effect on the probability of employment of black youth in Chicago than white youth.³⁷

The spatial-skill mismatch is another variant on the problem of space. It is not just the relative rate of job growth in the city versus the suburb that is at issue. Kasarda argues that the fastest growing jobs in the city require skills and capabilities beyond those of inner-city blacks. The jobs most appropriate for inner-city blacks are just those which are growing the fastest in the suburbs.³⁸ But methodological problems confound Kasarda's work, the most serious being the lack of an independent measure of actual job requirements. He equates job requirements with the educational backgrounds of job holders. This is an inadequate measure since hiring standards are flexible, responding to changes in the relative supplies of various types of labor.



³³J.J. Heckman and B.S. Payne, "Determining the Impact of Federal Antidiscriminatory Policy on the Economic Status of Blacks: A Study of South Carolina," *American Economic Review*, Vol., 79, No. 1 March, 1989.

³⁴William Julius Wilson, "Race-Neutral Policies and the Democratic Coalition," *The American Prospect*, No. 1, Spring, 1990, p. 78.

³⁵Theodore and Taylor, The Geography of Opportunity.

³⁶David T. Ellwood, The Spatial Mismatch Hypothesis: Are There Teenage Jobs Missing in the Ghetto," in R.B. Freeman and H.J. Holzer, eds., *The Black Youth Employment Crisis*, Chicago: University of Chicago Press, 1986.

³⁷K.R. Ihlanfeldt and D.L. Sjoquist, "Job Accessibility and Racial Differences in Youth Employment Rates," *American Economic Review*, Vol. 80, No. 1, March, 1990.

³⁸John D. Kasarda, "Jobs, Migration, and Emerging Urban Mismatches," in M.G.H. McGeary and L.E. Lynn, Jr., eds., *Urban Change and Poverty*, Washington, D.C.: National Academy Press, 1988.

Blackley tests the extent of spatial mismatch in large urban areas in 1980 and finds that this theory has no applicability to the employment problems of black men and very limited applicability to those of black women.³⁹ Furthermore, Theodore and Taylor analyze the job prospects of currently employed individuals and show that substantial racial disparities still remain in access to job opportunities in the Chicago suburbs.⁴⁰ Being able to reach suburban jobs does not guarantee that blacks will not face discrimination.

Skill Training

There are nonspatial aspects to the mismatch hypothesis as well. Inner-city blacks, it is argued, are inadequately trained for the available jobs in their localities. Government funded training programs are required for the chronically unemployed, the displaced worker, and the underemployed. While training may be beneficial in and of itself, most government training programs have not solved the labor market problems of inner-city blacks. Some moderate earnings gains have occurred, mainly due to increased hours rather than higher hourly wages, and these gains may be important to low-wage workers. However:

A person entering a (training) program most likely has experienced a sporadic work history and employment in a low-wage, dead-end job..... The participants in these programs remain at the bottom of the income distribution, and there is no evidence that they have been placed in a new trajectory with respect to lifetime earnings.⁴¹

That most government training programs have not been very successful does not mean that properly structured training programs cannot work. To be effective, a training program must train people for jobs with a future, jobs they would not have gained otherwise. It must not focus on quick placement into any available job slots. In the case of a locality such as Chicago, a particularly effective program would be one that, by increasing the quantity and quality of a specific type of labor, induces employers to expand here rather than relocate due to a shortage of adequate labor. However, a crucial and unfortunately unknown in regard to training programs is whether they increase overall employment or merely redistribute access to available positions from untrained workers to program participants.

Some inner-city blacks may lack appropriate job skills. But, overall the poor employment prospects of many inner-city blacks are due mainly to a lack of employment opportunities. There are too few jobs. And too many of the available jobs pay low wages and offer little chances for advancement.



³⁹P.R. Blackly, "Spatial Mismatch in Urban Labor Markets: Evidence from Large U.S. Metropolitan Areas," Social Science Quarterly, Vol. 71, No. 1, March, 1990.

^{*}Theodore and Taylor, The Geography of Opportunity.

⁴¹Osterman, Employment Futures, p. 97.

Compounding their problems is the overall restructuring occurring in employment opportunities throughout our society. A more bipolar job distribution has developed. Since the late 1970s, the "proportion of the labor force earning low wages has grown steadily, the proportion at the top of the distribution has also expanded (but not as much) and the middle group has shrunk." Slow productivity growth and the shift of employment out of manufacturing played a role in generating the growth of low wage positions. This restructuring has further limited the employment futures of those at the back of the labor queue. And many of them are inner-city blacks, the victims of racial discrimination.



⁴²Bennett Harrison and Barry Bluestone, The Great U-Turn: Corporate Restructuring and the Polarization of America, New York: Basic Books, 1988, p. 121.

⁴³In the 1980s the Cook County Job base shifted toward services and away from manufacturing. At the same time, most of the employment gains took place in lower paying industries, while most of the employment reduction occurred in higher paying industries, see Mayor's Office of Employment and Training, Labor Force Trends in Chicago.

Appendix 1

<u>1965-66</u>

<u>1988-89</u>

Professional, technical,

& managerial Clerical & sales

Service

Unskilled

Skilled & semi-skilled

Administrative support, including clerical, sales Service

Precision, craft, repair, machine operator, transportation,

moving, farm, forestry, & fishing

Professional, technical, & managerial

Handler, laborer

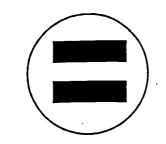


Appendix 2

Zip Codes Included in the Grand Boulevard and West Town Zones

Grand Boulevard Zone West Town Zone **Central Central** North & No. West **North** Northwest West West South Far South Cicero South





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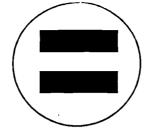
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